



Professional Standards Councils  
**Annual Report 2008-2009**

Australian Capital Territory | New South Wales | Northern Territory | Queensland  
South Australia | Tasmania | Victoria | Western Australia





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# THE EVOLUTION OF THE PROFESSIONAL STANDARDS COUNCILS

Year	Action
	Insurance market crisis of the late 1980's
1994	New South Wales enacts the <i>Professional Standards Act 1994</i> (NSW)
1995	The Professional Standards Council of NSW is constituted The first meeting of the Professional Standards Council of NSW is convened NSW enacts the <i>Professional Standards Regulation</i> (NSW)
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 <i>Professional Standards Regulation 1998</i> (WA)
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 Victoria is constituted



Year	Action
2006	<p>South Australia enacts the <i>Professional Standards Regulation 2006 (SA)</i></p> <p>The Professional Standards Council of the NT is constituted</p> <p>The Professional Standards Council of SA is constituted</p> <p>The Professional Standards Council of Tasmania is constituted</p> <p>The NSW Bar <i>Cover of Excellence</i><sup>®</sup> Scheme becomes the first Scheme to be prescribed by the Commonwealth of Australia under the <i>Australian Securities and Investments Commission Act 2001 (Cth)</i>, the <i>Corporations Act 2001 (Cth)</i> and the <i>Trade Practices Act 1974 (Cth)</i></p>
2007	<p>The Professional Standards Council of the ACT is constituted</p> <p>Queensland enacts the <i>Professional Standards Regulation 2007 (Qld)</i></p> <p>Victoria enacts the <i>Professional Standards Regulation 2007 (Vic)</i></p> <p>The Professional Standards Council of Queensland is constituted</p> <p>New South Wales enacts mutual recognition legislation under the <i>Professional Standards Amendment (Mutual Recognition) Act 2007 (NSW)</i></p> <p>ICAA (NSW and WA), CPA Australia (NSW), EA (NSW), LSNSW (NSW), CIRCEA (NSW) and AVI (NSW) <i>Cover of Excellence</i><sup>®</sup> Schemes are prescribed under the <i>Trade Practices Act 1974 (Cth)</i></p>
2008	<p>The Northern Territory enacts mutual recognition legislation under the <i>Professional Standards Amendment (Mutual Recognition) Act 2008 (NT)</i></p> <p>13 <i>Cover of Excellence</i><sup>®</sup> Schemes are prescribed by the Commonwealth operating in several States and Territories: ICAA (Vic, SA, NT, ACT, Qld), CPA Australia (Vic, SA, WA, NT, ACT, Qld), VIC Bar (Vic) and the PSOA (NSW)</p> <p>The ACT enacts mutual recognition legislation under the <i>Justice and Community Safety Legislation Amendment Act 2008 (ACT)</i></p> <p>Queensland enacts mutual recognition legislation under the <i>Justice and Other Legislation Amendment Act 2008 (Qld)</i></p> <p>Retirement of the inaugural Commonwealth representative on the Professional Standards Councils – Mr Warwick Wilkinson, AO.</p>
2009	<p>Commonwealth prescription under the <i>Trade Practices Act 1974</i> for EA NSW, ACT, WA, NT, Qld; CPA Australia Limited NT, SA, ACT, Qld, Vic, WA; ICAA ACT, NT, Qld, SA, Vic; PSOA; and VIC Bar until June 2011</p> <p>First <i>Cover of Excellence</i><sup>®</sup> Scheme commenced in Tasmania on 1 June 2009.</p> <p><i>Cover of Excellence</i><sup>®</sup> Schemes present in all States and Territories of Australia</p> <p>Appointment of new Commonwealth representative to the Professional Standards Councils</p> <p>Over 38,000 professionals covered, Australia wide, by <i>Cover of Excellence</i><sup>®</sup> Schemes</p>

# THE PROFESSIONAL STANDARDS COUNCILS' MAJOR ACHIEVEMENTS 2008-2009

- The Engineers Australia *Cover of Excellence*® Scheme commenced on 1 June 2009 in Tasmania. This complements the commencement of Schemes in all mainland States and Territories in the 2007-08 year.
- There are now over 38,000 professionals participating in *Cover of Excellence*® Schemes.
- 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).
- Of the 27 *Cover of Excellence*® Schemes nationwide, 24 have been prescribed by the Commonwealth Treasury, including the following 18 Schemes prescribed this year under the *Trade Practices Act 1974* (Cth) until June 2011:
  - » The Victorian Bar Incorporated (VIC Bar),
  - » The Professional Surveyors Occupational Association's (PSOA),
  - » The Engineers Australia in the Australian Capital Territory, New South Wales, the Northern Territory, Queensland and Western Australia
  - » The ICAA in the Australian Capital Territory, Queensland, the Northern Territory, South Australia and Victoria
  - » CPA Australia in the Australian Capital Territory, Queensland, the Northern Territory, South Australia, Victoria and Western Australia.
- The Professional Standards Councils continued to raise their profile and promote the self-regulation of professionals, with stakeholder information events in Sydney, Hobart and Perth.
- The Councils and all State and Territory justice departments agreed to renew the service level agreements between the Councils, the departments and the NSW Attorney General's Department for the 2008-09 financial year. These agreements ensure effective secretariat support will be provided to all Councils by the Office of the Professional Standards Councils (OPSC), located within the NSW Attorney General's Department.
- 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. Significant improvements have been made in presenting associations' annual risk management reports as part of the multi-jurisdictional annual statutory reporting of the Councils.

# 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*<sup>®</sup> Schemes.

*Cover of Excellence*<sup>®</sup> 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*<sup>®</sup> badge.

### History and profile of the Professional Standards Councils

The New South Wales Attorney General established the Professional Standards Council of New South Wales 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 under section 42 of the *Professional Standards Act 2003* (Vic). In 2006, the Professional Standards Council of Tasmania was established under section 43 of the *Professional Standards Act 2005* (Tas), the Professional Standards Council of the Northern Territory under section 41 of the *Professional Standards Act 2005* (NT) and the Professional Standards Council of South Australia under section 42 of the *Professional Standards Act 2004* (SA). The Professional Standards Council of the Australian Capital Territory was formed in 2007 under section 4.36 of the *Civil Law (Wrongs) Act 2002* (ACT) and finally, to complete arrangements in all States and Territories, the Professional Standards Council of Queensland was established under section 41 of the *Professional Standards Act 2004* (Qld).

The Attorneys General of each of the States and Territories, through the Standing Committee of Attorneys General (SCAG), the Commonwealth Minister for Revenue and the Commonwealth Assistant Treasurer signed the *Professional Standards Agreement 2005* 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 *Cover of Excellence*<sup>®</sup> 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 OPSC monitors occupational associations in the preparation of Scheme applications, administers the annual risk management reporting of occupational associations and, on occasion, conducts research and forums to facilitate the improvement of professional standards of associations.

It is the continued intention of all jurisdictions that the Councils will be self-funding, with revenue to be derived from application and annual fees. The Councils have been self-funding for the last two financial years. Seed funding, which was available to those jurisdictions that did not generate sufficient income to cover operational expenses, ceased to be available at the end of 2008-09. Seed funds, provided by Tasmania and the Northern Territory justice departments, were returned to these departments during the 2008-09 financial year.

### **Cover of Excellence<sup>®</sup> Schemes**

The Professional Standards Councils are responsible for approving and monitoring associations' *Cover of Excellence*<sup>®</sup> 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 also required to meet a range of criteria, including implementing and monitoring codes of ethics, codes of conduct, and complaints and disciplinary mechanisms. In addition, each association has a standard of insurance with which its members must comply. Annual risk management reporting is also required of associations with *Cover of Excellence*<sup>®</sup> Schemes.

### **Approving Cover of Excellence<sup>®</sup> Schemes**

Before approving a *Cover of Excellence*<sup>®</sup> Scheme, Councils must consider:

- 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 the association seeking a *Cover of Excellence*<sup>®</sup> Scheme,
- the association's standards of insurance,
- the cost and availability of insurance,
- the association's risk management strategies and how those strategies are intended to be implemented, and
- public comments and submissions made in response to the public notification of a proposed *Cover of Excellence*<sup>®</sup> Scheme.

### **Determining limits of liability**

The Professional Standards Councils are responsible for determining the limitation of liability under *Cover of Excellence*<sup>®</sup> Schemes. 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*<sup>®</sup> 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 practitioners.

### Improving professional standards

The Professional Standards Councils work together with associations to develop self-regulation mechanisms 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 protect consumers by demanding high levels of professional standards and practices of those occupational associations seeking to gain limited liability, as well as by expanding the number of *Cover of Excellence*<sup>®</sup> Schemes in operation. Once a particular *Cover of Excellence*<sup>®</sup> Scheme is approved, the Councils allow members of the association to use the *Cover of Excellence*<sup>®</sup> logo as a mark of the quality standards and practices that consumers can expect to receive. Each *Cover of Excellence*<sup>®</sup> Scheme has a maximum duration of 5 years, after which time a new application must be submitted for a new Scheme. The limited duration of a *Cover of Excellence*<sup>®</sup> Scheme helps ensure robust mechanisms are in place to protect consumers and meet evolving higher standards of professionalism.

### Co-operation with the Commonwealth

The *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) permits the Commonwealth to prescribe *Cover of Excellence*<sup>®</sup> Schemes so as to limit the liabilities of occupational associations under 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*<sup>®</sup> Scheme was the first Scheme to be prescribed under the *Australian Securities and Investments Commission Act 2001* (Cth), the *Corporations Act 2001* (Cth) and the *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) in May 2006.

The Engineers Australia (EA) New South Wales *Cover of Excellence*<sup>®</sup> Scheme was prescribed in April 2007, followed by the Australian Valuers Institute (AVI) New South Wales Scheme effective from 5 October 2007, and the ICAA New South Wales and the CPA Australia New South Wales *Cover of Excellence*<sup>®</sup> Schemes, effective from 25 October 2007. All of the above Schemes were prescribed for a period of 5 years. A further 13 Schemes were prescribed for a period of twelve months during the 2007–08 financial year.

In the 2008–09 financial year prescription was renewed for 18 *Cover of Excellence*<sup>®</sup> Schemes by the Commonwealth under the *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth), until June 2011. Four Engineers Australia *Cover of Excellence*<sup>®</sup> Schemes were prescribed for the first time.



# CHAIRMAN'S REPORT



Back (L to R): Robert Beaton, Warwick Wilkinson, Madeleine Ogilvie, 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 Ministers,

The Professional Standards Councils had a very successful year in 2008-2009. Not only have the Councils carried out their mandate under each piece of professional standards legislation for the creation of professional standards Schemes, the Councils have also monitored Schemes in all States and Territories in Australia, with the first Scheme gazetted in Tasmania for Engineers Australia.

The Professional Standards Councils have worked in conjunction with the Commonwealth, which prescribed 18 *Cover of Excellence*<sup>®</sup> Schemes to June 2011. Of the *Cover of Excellence*<sup>®</sup> Schemes prescribed, four Engineers Australia schemes were prescribed for the first time. This demonstrates the marked increase in demand for *Cover of Excellence*<sup>®</sup> Schemes and continued Commonwealth support for professional standards legislation.

The Commonwealth has also provided additional information regarding a review of professional standards legislation. The review is expected to commence in 2010. The Councils have developed a framework to research and document the impacts of professional standards legislation that will facilitate this review.

The Professional Standards Councils were saddened by the retirement of Warwick Wilkinson, the inaugural Chair of the Professional Standards Council of New South Wales and member of the Professional Standards Councils (1995-2008).

His contribution since the inception of Professional Standards Council in New South Wales, in 1995, has been instrumental in the evolution of the Professional Standards Councils' framework, and reflects his ongoing commitment to improving professional standards and protecting consumers.

The Professional Standards Councils were much assisted by the hard and diligent work of the secretariat under the leadership of Ms Philippa Seagrave, who remains as acting Executive Officer. Ms Seagrave and her team have made an outstanding contribution, particularly in complying with the complex financial and audit requirements in various States and Territories of the Councils. Ms Seagrave will continue to lead the secretariat while Dr Kate Sainsbury remains on extended leave.

I am pleased to submit the attached Councils' Annual Report to you, which contains full details of the above.

Yours faithfully,

Brian Rayment QC

# OFFICE OF THE PROFESSIONAL STANDARDS COUNCILS REPORT



OPSC staff at heritage listed Brislington House located in the Parramatta Justice Precinct. Back (L to R): Philippa Seagrave, Robert Lawson  
Front (L to R): Hau Wong, Naomi Degabriele, Elizabeth Rysiok,  
Nicole Maxwell. Absent: Mary McCrudden and Mary Abi-Younes.

The focus of the Office of the Professional Standards Councils (OPSC) during 2008-09 has been on processing Scheme applications for new and existing clients.

The OPSC also finalised the development and implementation of new *Application Guidelines* to assist associations to meet Councils' application requirements in a multi-jurisdictional environment.

The OPSC has undertaken significant work in building stakeholder relationships through increased face-to-face meetings. Council meetings and forums were arranged in New South Wales, Tasmania and Western Australia, to meet existing and prospective stakeholders.

## Structure and staffing within the OPSC

The OPSC now has six full time officers and one part-time (0.4) officer.

The OPSC continued to participate in the NSW Attorney General's Department Graduate Program in its final year, under which it gained the services of Ms Elizabeth Rysiok.

The Executive Officer remains on leave, with acting arrangements extended for up to another 24 months.

Two new Legal/Policy Officer positions were filled in the first half of the 2008-09 financial year. The Marketing/Communications Officer position remains vacant.

Additionally, a number of positions have been identified as necessary to support the statutory functions of the Professional Standards Councils: a Senior Legal Policy Advisor, a Financial Specialist, and a Research Officer. A recruitment 'freeze', effective from June 2009 across the NSW public sector,

may continue to delay necessary recruitment action.

## Co-operation with the Professional Standards Legislation Working Group (PSLWG)

PSLWG has met to discuss the extension of the service agreements between the Councils, the justice departments in each jurisdiction and the NSW Attorney General's Department. These agreements expired on 30 June 2009. All parties have agreed to extend them to 30 June 2010, at which point new agreements will be signed. The agreements allow for the management of inter-jurisdictional financial and administrative arrangements.

This continuing co-operation has also led to amendments to professional standards legislation across all States and Territories such that:

- Costs-inclusive insurance policies can be used to limit the liability of professionals,
- Mutual recognition of *Cover of Excellence*<sup>®</sup> Schemes is established across jurisdictions, and
- A fee structure can be implemented to ensure that the Professional Standards Councils are funded in the most appropriate manner across jurisdictions and associations.

## Policy development

The OPSC 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.

A new *Policy Statement on Complaints, Compliments and Queries* was developed by the OPSC and endorsed by the Councils in February 2009. The policy prescribes mechanisms for dealing with feedback received by the OPSC, or by any of the Councils or their members. The *Policy Statement on Complaints, Compliments and Queries* is an essential element of the Councils' ongoing commitment to quality and risk management, and protection of consumers.

The Councils' *Application Guidelines* have been significantly revised to take into account State/Territory-specific requirements. The *Application Guidelines* can be found on the Professional Standards Councils' website.

The Councils also endorsed a *Framework for the Assessment of the Impact of Professional Standards Legislation* in December 2008. The purpose of this project is to provide a means to conceptualise and then measure the achievement of the objects of professional standards legislation, in particular, that the Councils and the Schemes they administer are able to:

- facilitate the improvement of occupational standards of professionals and others, and
- protect consumers of the services provided by professionals and others.

In February 2009 the Councils endorsed the development of a stakeholder survey as an initial step in seeking measurable benchmarks for the impact of professional standards legislation.

In May 2009 the Councils endorsed an initial data gathering strategy, based on analysing information already collected by the Councils in the course of receiving, considering and approving Schemes.

The recruitment of a Research Officer to the OPSC is critical to the continuation of this project. Councils have established this recruitment activity as a high priority for early in 2009-10.

A review of the annual reporting requirements for associations will be completed early in the 2009-2010 financial year. The focus of the review is on compliance with best practice risk

management systems, the ability to collect information over the life of a Scheme, and streamlined reporting for associations with Schemes in multiple States.

A consultancy on fees modelling was completed in June 2009, the recommendations of which will be used to inform the development of the Councils' policy on the levying of annual fees for associations.

### Plans for 2009-10

Key initiatives for the OPSC during the year ahead include:

- Mapping the *Cover of Excellence*<sup>®</sup> Scheme application process in order to identify priority areas for improvement,
- Completing the review of associations' annual reporting guidelines,
- Developing and implementing guidelines on insurance claims data,
- Conducting a baseline survey of stakeholders as part of the *Framework for the Assessment of the Impact of Professional Standards Legislation*,
- Conducting a research project that provides baseline measurements for the assessment of the impact of professional standards legislation,
- Forums and information sessions to be held in at least two States to meet existing and prospective stakeholders,
- Implementation of an integrated Customer Relationship Management database to facilitate positive and timely interactions with stakeholders,
- Implementation of the Marketing Strategy and the Website Strategy which were endorsed by the Councils in 2006-07,
- Identifying and working with associations and professions who do not have Schemes and/or professional standards, and
- Office accommodation refit to meet resource and recruitment needs.

**Philippa Seagrave**  
Acting Executive Officer



# THE PROFESSIONAL STANDARDS COUNCILS



Brian Rayment



Esther Alter

## APPOINTMENTS TO THE COUNCILS

The Attorneys General of each State and Territory appoint members to the Professional Standards Councils who have the 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 2005* also entitles New South Wales and Victoria to nominate the Chairman and Deputy Chairman on an alternating basis.

Mr Warwick Wilkinson, the Commonwealth representative and founding Chairman of the Professional Standards Council of NSW, retired from all Professional Standards Councils on 31 December 2008. Mr Wilkinson was appointed Chairman of the Professional Standards Council of New South Wales from 1 March 1995 to February 2005 and was then appointed to all Councils as they became operational in each State and Territory.

A new Commonwealth representative has been nominated, and State/Territory-specific processes are being followed to ensure appointment to all Councils as set out under the *Professional Standards*

*Agreement 2005*. The Commonwealth nominated representative's appointment has been confirmed for the Professional Standards Councils of the Northern Territory and Queensland, with appointment to all other States and Territories expected to be confirmed in the 2009-2010 financial year.

## 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 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



Robert Beaton



Steven Cole



Terry Evans



Ronald Farrell

currently a Board member of the Chiropractor Registration Board of Victoria and the Pharmacy Board of Victoria.

**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 the 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.

**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 of the 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



Joanne Metcalfe



Madeleine Ogilvie

**Justin Harper BA, LLB (nominated by Queensland) (Resigned May 2009)**

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

Madeleine Ogilvie is a Tasmanian based barrister. Madeleine has a wide range of professional experience in Australia and internationally 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 telecommunications, the arts and intellectual property commercialisation. Madeleine is the Deputy Chair of the Tasmanian Council of Professional Bodies, member and Company Secretary of the Tasmanian Community Foundation, Chair of the Infrastructure Panel of the Tasmanian Arts Advisory Board, Director of the Salamanca Arts Centre Ltd, member of the Board of Kidsafe (Tas), Founder of Early Years Parents & Friends (Tas), member and Deputy Chair of Taskforce on Care Costs, member of the Tasmanian Symphony Orchestra Ball Committee, member of Eat Well Inc Board and provides pro-bono support to a range of Tasmanian not-for-profit and arts organisations.



Iain Summers



Warwick Wilkinson



Lisa Hunt

**Iain Summers BComm, 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) (Retired 31 December 2008)**

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.

**Lisa Hunt (nominated by the Commonwealth) appointed to Professional Standards Councils of the NT and Queensland (from 15 May 2009)**

Lisa Hunt has a background in law and 12 years experience in infrastructure development and operations. She has advised Australian governments at the highest levels on regulatory policy, project development and delivery, and risk management. She has developed strong executive management skills as a former executive with one of Australia's top 40 Australian Stock Exchange listed companies. She is an experienced director who has served on government and private sector boards.



# PROFESSIONAL STANDARDS COUNCILS' OPERATIONS



## RESEARCH AND DEVELOPMENT

### Long Term Impacts of Professional Standards Legislation

As part of the Councils' own risk management processes, the Councils have identified the need to document and describe the impact of professional standards legislation in a complex and changing economic, insurance and legislative framework. This year, the Councils endorsed a *Framework for the Assessment of the Impact of Professional Standards Legislation* to underpin a long-term in-depth research project. The assessment of the impact of professional standards legislation is an ongoing project, which will evolve as information is collected and collated. A benchmark survey of stakeholders will be undertaken in 2009-10. Recruitment of a Research Officer has been identified as critical for the success of this project.

### Guidelines for Associations' Annual Reporting

The Professional Standards Councils are concluding a major review of associations' annual reporting requirements, incorporating risk management reporting. The revised reporting guidelines will ensure compliance with Risk Management Standard AS/NZS 4360:2004, and facilitate the creation of time-series data to compare against the associations' initial 5-year risk management plans. Revised risk reporting guidelines will be incorporated into the Councils' publication, *A Framework for Compliance under Professional Standards Legislation*.

As part of this review there have been significant changes to the way in which the Councils report associations' risk management activities, as described in the "Schemes in Focus" section of this Annual Report. The changes reflect the multi-jurisdictional nature of a number of the *Cover of Excellence*<sup>®</sup> Schemes and a focus on life-of-scheme risk management.

### Star Initiative Grants Program: Providing associations with assistance

Historically, the Professional Standards Councils offered 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 were 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 2008-09. The Councils will re-evaluate the objectives of the Star Initiative Grants program once funding parameters have been resolved. It is anticipated that a Star Initiative Grants program could recommence in 2011.

## EXCHANGING KNOWLEDGE

### The Professional Standards Councils' website [www.psc.gov.au](http://www.psc.gov.au)

Information about the Professional Standards Councils is disseminated through its website, which publishes all current *Cover of Excellence*® Schemes. The website also contains information about the Councils' policies, as well as links to current and historical copies of publications, including Annual Reports and consultative papers.

The current Website Strategy, which was developed in 2006-07, has been partially implemented during 2007-08 and 2008-09. A more succinct website address ([www.psc.gov.au](http://www.psc.gov.au)) has recently replaced [www.professionalstandardscouncil.gov.au](http://www.professionalstandardscouncil.gov.au) and active promotion of the new address will occur in 2009-2010. The existing domain name will continue to operate until it expires in 2010.

### Meeting with stakeholders

The OPSC meets regularly with the Councils' stakeholder associations, both those who have Schemes in place, and also those who may benefit from the development of a Scheme for their association in the future.

Three information seminars about the work of the Professional Standards Councils and *Cover of Excellence*® Schemes were held in 2008-09 in Sydney, Hobart and Perth.



## CORPORATE GOVERNANCE

### Terms of office and remuneration

The Professional Standards Councils' members are appointed for a term of up to three years, and are eligible for re-appointment at the expiration of their term.

In 2008-09 Mr Justin Harper, who was nominated by the Queensland Attorney-General, resigned from the Councils.

Mr Warwick Wilkinson retired from all Councils in December 2008.



Farewell Mr Warwick Wilkinson (L to R): Warwick Wilkinson, Philippa Seagrave, Brian Rayment

Ms Lisa Hunt was nominated as the Commonwealth representative in May 2009 and her appointment is being processed in all States and Territories according to local policies and the *Professional Standards Agreement 2005*. Her appointment to all Professional Standards Councils is expected to be completed in the latter part of 2009.

All remaining State and Territory Council members whose term of office expired on 30 June 2008 have accepted nominations for a further three-year term.

An allowance/sitting fee for Council members is paid for attendance at Council, advisory group and committee meetings. This sitting fee is based on the NSW 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 3.25 hours.

### Procedures

Provisions in professional standards legislation in each jurisdiction guide procedures for Council meetings.

Policies developed since the Councils were established to provide additional guidance for the operation of meetings. Policies include: Roles of Visitors, Declaration of Conflicts of Interest (declared at each meeting), and procedural arrangements to ensure dissemination of information in sufficient time for consideration of the meeting material.

### Meetings of the Councils

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

### Committees

The Professional Standards Councils can establish committees to assist the Councils in their work. During the 2008-09 financial year, the Audit and Risk Management Committees (ARMCs) continued to meet in order to discuss operations and risk management issues facing the Professional Standards Councils. Specifically, the ARMCs consider the Professional Standards Councils' financial position, budget management, risk management strategies, internal controls, and business plans.

Like the Professional Standards Councils, the ARMCs have common membership across all States and Territories. The members of the ARMCs during the 2008-09 financial year were:

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

The Executive Officer of the OPSC attends these meetings as a visitor.

Appointment to the ARMCs is on an annual basis. Members may be re-appointed. It is anticipated that the current members will have their appointments 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 current IRMP expired on 30 June 2009. The IRMP assists the Professional Standards



Audit and Risk Management Committee  
 Back (L to R): Iain Summers, Ronald Farrell  
 Middle (L to R): Steven Cole, Esther Alter  
 Front: Philippa Seagrave

Councils to identify and resolve diverse risks, such as commercial and legal risks, corporate knowledge management, and financial administration and audit arrangements. The Councils, the ARMCs and the OPSC have developed the IRMP for 2009-2011, which will be finalised in September 2009.

## FINANCIAL PERFORMANCE OF THE COUNCILS

All Professional Standards Councils operated with the assistance of the OPSC, provided by the NSW Attorney General's Department. The financial performance report of each Council can be found in the Financial and Statutory Reports section, which identifies the revenue received by each Council and its proportion of the expenditure. If audited financial information is available this is identified and included in this section as an addendum.

# CO-OPERATION BETWEEN JURISDICTIONS



## CO-OPERATION AMONG PROFESSIONAL STANDARDS COUNCILS

### Inter-governmental agreement

The *Professional Standards Agreement 2005* was endorsed and executed by the Standing Committee of Attorneys General (SCAG). The Agreement allows common membership of all State and Territory Professional Standards Councils, and the use by each Council of common secretariat support, provided by the NSW Attorney General's Department. During 2008-09, there was continued support for the *Professional Standards Agreement 2005*.

### Inter-departmental service agreements

During the 2007-08 financial year, all States and Territories became signatories to service agreements with the Councils and the NSW Attorney General's Department. These agreements enable co-operation between the State and Territories by ensuring that the expenditure incurred pertaining to the operation of the OPSC and the Councils is allocated and borne by the jurisdictions in an equitable manner. The agreements expired on 30 June 2009. However, there are provisions for extension of the agreements and all parties have agreed to extend them until 30 June 2010, at which time new agreements will be implemented.

## LEGISLATIVE CHANGE

The Professional Standards Councils are responsible for giving advice to the Attorneys General, and Minister for Corrections and Consumer Protection in Tasmania, on the operation of professional standards legislation. The Councils have taken an active role in this regard during 2008-09. Key areas that the Councils have considered are costs-inclusive insurance policies, mutual recognition of interstate *Cover of Excellence*<sup>®</sup> Schemes and the consistency of Schemes across jurisdictions.

### Costs-inclusive insurance amendment

In 2004-05, the Attorneys General were informed by the Councils of 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 that both costs-inclusive and costs-in-addition insurance policies could be used for the purposes of limiting liability under professional standards legislation. 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. Amendments to Western Australia legislation remain outstanding.





L to R: Brian Rayment (Chairman)  
Steven Cole (Deputy Chairman)

### **Mutual recognition of Schemes**

The Councils identified the need for an amendment to professional standards legislation to allow mutual recognition of Schemes across jurisdictions. Such an amendment would acknowledge that professionals may work across borders and enable the legislation to operate efficiently at a national level. Amendments commenced in New South Wales on 15 June 2007, in the Northern Territory on 1 April 2008, in the Australian Capital Territory on 18 May 2008, in Queensland on 25 November 2008 and in Victoria on 11 December 2008. Similar amendments are expected to be made in the remaining jurisdictions in due course.

### **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.

The NSW Regulation is currently under statutory review.

## **COMMONWEALTH CO-OPERATION**

A vacancy on the Professional Standards Councils was created for the Commonwealth representative with the retirement of the inaugural Commonwealth representative, Mr Warwick Wilkinson. Mr Wilkinson was previously the Chairman of the Professional Standards Council of New South Wales. A new Commonwealth representative is being appointed to all Councils.

Ongoing co-operation has paved the way for a number of Schemes to be prescribed under the *Trade Practices Act 1974* (Cth) for an additional 2 years to 16 June 2011, including:

- ICAA Schemes in the Australian 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,
- The VIC Bar Scheme, and
- Engineers Australia Schemes for the Australian Capital Territory, New South Wales, Northern Territory, Queensland and Western Australia.

# COVER OF EXCELLENCE<sup>®</sup> SCHEMES



## SUMMARY OF COVER OF EXCELLENCE<sup>®</sup> SCHEMES

With the commencement of the Engineers Australia Scheme in Tasmania, there are now *Cover of Excellence*<sup>®</sup> Schemes in all States and Territories. Table 2 sets out occupational associations and the jurisdictions under which there are Schemes.

Table 2 *Cover of Excellence*<sup>®</sup> Schemes by Jurisdiction

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

Table 3 sets out the number of members of associations to whom a *Cover of Excellence*<sup>®</sup> Scheme applied in all jurisdictions for the 2008-09 financial year as at 30 June 2009.

Table 3 *Cover of Excellence*<sup>®</sup> Scheme Participation by Jurisdiction

Scheme	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
AVI		18						
CIRCEA		27						
CPA Australia	79	1413	26	1039	241		1978	743
EA	0	1	0	0		0		0
ICAA	481	8416	110	3257	1490		5398	1983
LSNSW		7898						
NIA		1030						
NSW Bar		1971						
PSOA		34						
VIC Bar							527	

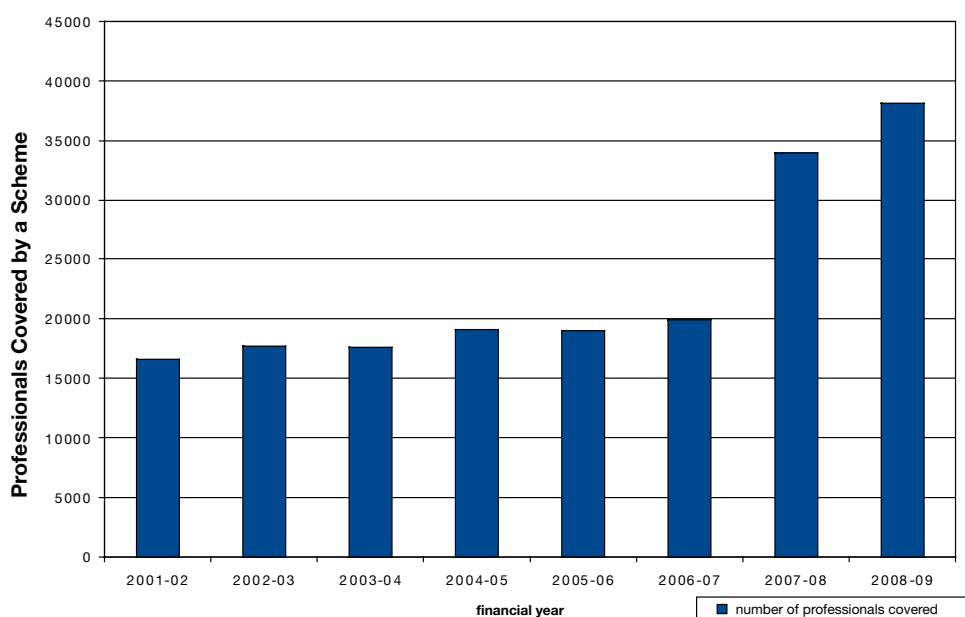
Table 4 sets out the number of members of participating associations to whom a *Cover of Excellence*<sup>®</sup> Scheme applied for 2008-09 and previous years. From 2001-07, *Cover of Excellence*<sup>®</sup> Schemes did not operate in States or Territories other than New South Wales. The 2007-08 figures are inclusive of all mainland States and Territories. The 2008-09 figures are inclusive of all States and Territories in Australia.

Table 4 Historical and current *Cover of Excellence*<sup>®</sup> Scheme Participation by Professional Association and Year

Scheme	Administrator	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
Accountants Schemes	CPA Australia	5,519	5,322	1,350	1,337	1,278	1,262	1,135	1,114
	ICAA	21,135	17,650	7,370	7,326	7,320	6,830	6,715	6,752
	NIA	1,030	975	961	874	773	710	633	n/a
Barristers Schemes	NSW Bar	1,971	1,968	1,982	1,978	2,000	n/a	n/a	n/a
	VIC Bar	527							
Law Society Schemes	LSNSW	7,898	7,962	8,097	7,309	7,505	8,618	9,079	8,547
Engineers Schemes	EA	1	0	0					
College for Investigative and Remedial Engineers (NSW) Scheme	CIRCEA	27	25	25	13	13	13	14	14
Professional Surveyors Scheme	PSOA	34	18	67	67	89	102	101	94
Valuers Schemes	AVI	18	33	45	48	85	85	64	57
<b>Total</b>		<b>38,160</b>	<b>33,953</b>	<b>19,897</b>	<b>18,952</b>	<b>19,063</b>	<b>17,620</b>	<b>17,741</b>	<b>16,578</b>

Figure 1 demonstrates the rapid growth in the number of professionals covered by a *Cover of Excellence*<sup>®</sup> Scheme, particularly since the commencement of Professional Standards Schemes in all mainland States and Territories in 2007-08.

Figure 1 Number of Professionals Covered by a Scheme 2001-2009



## CURRENT SCHEMES IN THE AUSTRALIAN CAPITAL TERRITORY

There are currently three *Cover of Excellence*® Schemes in operation in the Australian Capital Territory, covering three occupational associations and two occupations.

In 2008-09, a new Scheme commenced, for the Engineers Australia (Australian Capital Territory).

Two *Cover of Excellence*® Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 5 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 5 *Cover of Excellence*® Schemes in the Australian Capital Territory

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (ACT)	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	\$750,000 to \$75million. Reasonable charge of services x 10	1 Feb 2008	31 Jan 2013
ICAA (ACT)	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	\$750,000 to \$75million. Reasonable charge of services x 10	1 Feb 2008	31 Jan 2013
EA (ACT)	Members of Engineers Australia who are also members of Engineering Science and Technology Professional Standards Society	\$1.5 million to \$20 million	1 January 2009	31 December 2013

The Professional Standards Council of the Australian Capital Territory has approved Schemes under the *Civil Law (Wrongs) Act 2002 (ACT)*. The first annual Risk Management Reports for the Schemes approved in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies for these Schemes is included in this Annual Report for the first time in the “Schemes in Focus” section.

## CURRENT SCHEMES IN NEW SOUTH WALES

There are currently nine *Cover of Excellence*<sup>®</sup> Schemes in operation in New South Wales, covering nine occupational associations and six occupations.

Table 6 sets out the persons to whom each Scheme applies, the limitation of liability, and the start and expiry date of the Scheme.

Table 6 *Cover of Excellence*<sup>®</sup> 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
CPA Australia (NSW)	All members of CPA Australia ordinarily resident in New South Wales who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012
ICAA (NSW)	All members of ICAA ordinarily resident in New South Wales who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012
EA (NSW)	Members of Engineers Australia who are also members of the Engineering Science and Technology Professional Standards Society	\$1.5million, \$4million, \$8 million or \$20million depending on total annual fee income of partnership, corporation or sole trader. Up to \$20million on application to Engineers Australia by a member of the Scheme	24 Feb 2007 (amended 13 Dec 2008)	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

COVER OF EXCELLENCE® SCHEMES *continued*

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
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 the *Cover of Excellence*® logo and disclosure of limited liability. Refer to the "Schemes in Focus" section of this Report for further details.

## CURRENT SCHEMES IN THE NORTHERN TERRITORY

There are currently three *Cover of Excellence*<sup>®</sup> Schemes in operation in the Northern Territory, covering three occupational associations and two occupational groups.

In 2008-09, one new *Cover of Excellence*<sup>®</sup> Scheme commenced, for Engineers Australia (Northern Territory).

Two *Cover of Excellence*<sup>®</sup> Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 7 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 7 *Cover of Excellence*<sup>®</sup> Schemes in the Northern Territory

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (NT)	All members of CPA Australia ordinarily resident in the Northern Territory who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	26 May 2008	25 May 2013
ICAA (NT)	All members of ICAA ordinarily resident in the Northern Territory who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	7 January 2008	6 January 2013
EA (NT)	Members of Engineers Australia who are also members of Engineering Science and Technology Professional Standards Society	\$1.5million, \$4million, \$8 million or \$20million depending on total annual fee income of partnership, corporation or sole trader. Up to \$20million on application to Engineers Australia by a member of the Scheme	1 January 2009	31 December 2013

The Professional Standards Council of the Northern Territory has approved Schemes under the *Professional Standards Act 2004* (NT). The first annual Risk Management Reports for Schemes commencing in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies under these Schemes is included in this Annual Report for the first time in the “Schemes in Focus” section.

## CURRENT SCHEMES IN QUEENSLAND

There are currently three *Cover of Excellence*® Schemes in operation in Queensland, covering three occupational associations and two occupations.

In 2008-09, the Engineers Australia (Queensland) *Cover of Excellence*® Scheme commenced.

Two *Cover of Excellence*® Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 8 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 8 *Cover of Excellence*® Schemes in Queensland

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (Qld)	All members of CPA Australia ordinarily resident in Queensland who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	25 March 2008	24 March 2013
ICAA (Qld)	All members of ICAA ordinarily resident in Queensland who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	1 February 2008	31 Jan 2013
EA (Qld)	Members of Engineers Australia who are also members of Engineering Science and Technology Professional Standards Society	\$1.5million, \$4million, \$8 million or \$20million depending on total annual fee income of partnership, corporation or sole trader. Up to \$20million on application to Engineers Australia by a member of the Scheme	1 January 2009	31 December 2013

The Professional Standards Council of Queensland approved Schemes under the *Professional Standards Act 2004* (Qld). The first annual Risk Management Reports for Schemes which commenced in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies under these Schemes is included in this Annual Report for the first time. Refer to the “Schemes in Focus” section of this Report for further details.



## CURRENT SCHEMES IN SOUTH AUSTRALIA

There are currently two *Cover of Excellence*<sup>®</sup> Schemes in operation in South Australia.

Two *Cover of Excellence*<sup>®</sup> Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 9 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 9 *Cover of Excellence*<sup>®</sup> Schemes in South Australia

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (SA)	All members of CPA Australia ordinarily resident in South Australia who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	14 April 2008	13 April 2013
ICAA (SA)	All members of ICAA ordinarily resident in South Australia who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 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)*. The first annual Risk Management Reports for the *Cover of Excellence*<sup>®</sup> Schemes which commenced in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies under these Schemes is included in this Annual Report for the first time in the “Schemes in Focus” section.

## CURRENT SCHEME IN TASMANIA

There is currently one *Cover of Excellence*® Scheme in operation in Tasmania.

In 2008-09, one new *Cover of Excellence*® Scheme commenced, for Engineers Australia (Tasmania).

Table 10 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 10 *Cover of Excellence*® Scheme in Tasmania

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
EA (Tas)	Members of Engineers Australia who are also members of the Engineering Science and Technology Professional Standards Society	\$1.5million, \$4million, \$8 million or \$20million depending on total annual fee income of partnership, corporation or sole trader. Up to \$20million on application to Engineers Australia by a member of the Scheme	1 June 2009	31 May 2014

The first annual Risk Management Report for the Engineers Australia *Cover of Excellence*® Scheme (Tasmania) is due on 31 March 2010.

## CURRENT SCHEMES IN VICTORIA

There are currently three *Cover of Excellence*<sup>®</sup> Schemes in operation in Victoria, covering three occupational associations and two occupations.

In 2008-09, one new *Cover of Excellence*<sup>®</sup> Scheme commenced, for The Victorian Bar Incorporated.

Two *Cover of Excellence*<sup>®</sup> Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 11 sets out the persons to whom each Scheme applies, the limitation of liability, the start and expiry date of the Scheme.

Table 11 *Cover of Excellence*<sup>®</sup> Schemes in Victoria

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (Vic)	All members of CPA Australia ordinarily resident in Victoria who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	21 April 2008	20 April 2013
ICAA (Vic)	All members of ICAA ordinarily resident in Victoria who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	3 March 2008	2 March 2013
VIC Bar	All participating members holding a current Victorian barrister's practicing certificate	\$2 million	1 July 2008	30 June 2013

The Professional Standards Council of Victoria has approved Schemes under the *Professional Standards Act 2003 (Vic)*. The first annual Risk Management Reports for Schemes approved in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies under these Schemes is included in this Annual Report for the first time in the "Schemes in Focus" section.

## CURRENT SCHEMES IN WESTERN AUSTRALIA

There are currently three *Cover of Excellence*® Schemes in operation in Western Australia, covering three occupational associations and two occupations.

During 2008–09, one *Cover of Excellence*® Scheme commenced in Western Australia, for Engineers Australia (WA).

Two *Cover of Excellence*® Schemes had commenced in 2007-2008: CPA Australia and the ICAA.

Table 12 sets out the persons to whom each Scheme applies, the limitation of liability, and the start and expiry date of the Scheme.

Table 12 *Cover of Excellence*® Schemes in Western Australia

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia (WA)	All members of CPA Australia ordinarily resident in Western Australia who hold a current Public Practice Certificate and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	1 Apr 2008	31 Mar 2013
ICAA (WA)	All members of ICAA ordinarily resident in Western Australia who hold a current Certificate of Public Practice and who have not been exempted	\$750,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012
EA (WA)	Members of EA also members of Engineering Science and Technology Professional Standards Society	\$1.5million, \$4million, \$8 million or \$20million depending on total annual fee income of partnership, corporation or sole trader. Up to \$20million on application to Engineers Australia by a member of the Scheme	1 January 2009	31 December 2013

The Professional Standards Council of Western Australia has approved Schemes under the *Professional Standards Act 1997 (WA)*. The first annual Risk Management Reports for Schemes approved in 2007-08 were due on 31 March 2009. Information regarding the risk management strategies under these Schemes is included in this Annual Report for the first time in the “Schemes in Focus” section.

# SCHEMES IN FOCUS 2008-2009

## ANNUAL RISK MANAGEMENT REPORTS

Occupational associations with *Cover of Excellence*<sup>®</sup> Schemes are required to report annually to their State/Territory-based Council on the implementation of the five-year risk management plan that formed part of their original application for a Scheme, detailing the effect of their strategies in mitigating risks, improving standards and enhancing consumer protection. The reporting period for *Cover of Excellence*<sup>®</sup> Schemes is 1 January to 31 December, with the report required to be submitted to Council by 31 March the following year. Each State/Territory-based Council reports on the performance of the participating associations in relation to such risks each year in the Councils' Annual Report.

Reporting ensures that an occupational association makes constant and timely improvements to its practices, to the benefit of consumers of its services. The obligation to report is a statutory requirement and is fundamental to the monitoring role of the Professional Standards Councils in all jurisdictions. Examining the strategies and risks of professional associations allows the Councils to further consider whether a limitation on occupational liability requires adjustment, as a consequence of changes in risks faced or undertaken by members of an association. It also provides the Councils with the opportunity to assess the long-term impact of professional standards legislation from the perspective of their stakeholder associations.

The Professional Standards Councils are developing guidelines for annual risk management reporting by participating associations, which will facilitate reporting by associations that have Schemes in multiple jurisdictions. The guidelines will reflect the AS/NZS 4360:2004 Risk Management Standard, and will build stronger links with the initial five-year risk management plan that each association submits to the Councils as part of their application for a *Cover of Excellence*<sup>®</sup> Scheme. This will assist the Councils and the participating associations to measure performance in an objective and meaningful manner, as well as adhering to best practice risk management.

### Who reports where?

The 2008–09 financial year represents the first year in which there have been reporting obligations in all mainland jurisdictions. Table 13 identifies the reporting obligations on a State/Territory basis for the 2008 reporting year.

Table 13 Summary of Risk Management Reporting Obligations for Associations by State

Occupational Association	ACT	NSW	NT	Qld	SA	Tas	Vic	WA
AVI		✓						
CIRCEA		✓						
CPA Australia	✓	✓	✓	✓	✓		✓	✓
EA		✓						
ICAA	✓	✓	✓	✓	✓		✓	✓
LSNSW		✓						
NIA		✓						
NSW Bar		✓						
PSOA		✓						
VIC Bar							✓	

### Who reports on what?

Professional standards legislation mandates that an association report annually on the implementation and monitoring of its risk management strategies, the effect of those strategies, and any changes made (or proposed to be made) to them. Regardless of the strategies adopted and reported on, the Councils require that all associations must report each year on their claims and insurance monitoring, complaints and discipline, and continuing occupational education, together with compliance with disclosure of limited liability and use of the Councils' trade mark. Table 14 summarises compliance with the compulsory risk management reporting categories for the 2008 reporting year by all occupational associations.

Table 14 Association Reporting Categories 2008

Association	Compulsory Reporting Categories			
	Claims and Insurance Monitoring	Complaints and Discipline	Continuing Occupational Education	Compliance with Disclosure and use of trade mark
AVI	✓	✓	✓	✓
CIRCEA	✓	✓	✓	Not submitted
CPA Australia	✓	✓	✓	✓
EA	✓	✓	✓	✓
ICAA	✓	✓	✓	✓
NIA	✓	✓	✓	✓
NSW Bar	✓	✓	✓	✓
LSNSW	✓	✓	✓	Not submitted
PSOA	✓	✓	✓	Not submitted
VIC Bar	✓	✓	✓	✓

There are non-compulsory categories of reporting, which are occupation specific; these are not included in this section.

Finally, for the 2008 reporting year occupational associations were asked to focus on the relationships between claims, complaints and continuing education, and how these relationships are captured in the risk management process.

## RISK MANAGEMENT REPORTS FROM THE AUSTRALIAN CAPITAL TERRITORY

### CPA Australia Risk Management Report

This is the first time that CPA has been required to submit a Risk Management Report in the Australian Capital Territory.

Table 15 CPA Australia (Australian Capital Territory) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> CPA Australia reported 1 insurance claim notification for the Australian Capital Territory Scheme in the reporting period.</p> <p>During the reporting period the market remained stable but increasingly competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 16 CPA Australia (Australian Capital Territory) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer examined all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. There were 0 in ACT.</p>

Table 17 CPA Australia (Australian Capital Territory) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p>
	Development of new educational pathway for membership development.	<p><b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to assess core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 18 CPA Australia (Australian Capital Territory) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i>® logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, quality control and risk management.</p>

## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in the Australian Capital Territory.

Table 19 ICAA (Australian Capital Territory) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For the Australian Capital Territory there were 0 reported claims.</p> <p>Feedback from brokers and insurers indicates that, after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be an increase in claims arising from losses incurred as part of the impact of the Global Financial Crisis.</p>

Table 20 ICAA (Australian Capital Territory) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or in Charter publication.</p>

Table 21 ICAA (Australian Capital Territory) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development and revision of training products and services to ensure value to members.	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia-wide to support the Audit manual and toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of in-house training delivered in 2008.</p> <p><b>Outcome:</b> Live On-Line training available to all members. 1,300 members Australia-wide participated in Live On-Line training to 31 December 2008.</p> <p><b>Action:</b> Quality review processes identified 14% of practices Australia-wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 22 ICAA (Australian Capital Territory) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In the Australian Capital Territory, 85.45% respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 7.27% of respondents confirmed that they were using the optional <i>Cover of Excellence</i>® logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>



## RISK MANAGEMENT REPORTS FROM NEW SOUTH WALES

New South Wales has the highest number of Schemes operating.

Information from the Councils' previous Annual Reports has been used to develop the longitudinal/historical information presented below. Currently this is unique to NSW, as it is the only State that has had *Cover of Excellence*<sup>®</sup> Schemes operating and reporting for more than one year.

### AVI Risk Management Report

The current AVI Scheme commenced on 26 July 2007 and expires on 25 July 2012. The current Scheme differs sufficiently to the previous Scheme to make data comparison of little value. The AVI *Cover of Excellence*<sup>®</sup> Scheme operates in NSW only.

Table 23 AVI Claims and Insurance Monitoring 2008

Year	Action/Outcome
2008	<p><b>Outcome:</b> No claims reported.</p> <p><b>Outcome:</b> The Board (of AVI) is proud of its excellent claims history and believes that it is an industry benchmark. The average cost of insurance is 5% of gross fees. Because of the affordability of insurance it can be inferred to be reasonably available.</p> <p><b>Outcome:</b> Approximately 50% of AVI members used the one insurer.</p>

Table 24 AVI Complaints and Discipline 2008

Year	Tactic/Strategy	Action/Outcome
2008	All members are required to adhere to AVI's complaints procedures.	<b>Outcome:</b> During the reporting period no complaints were received about current members.

Table 25 AVI Continuing Occupational Education 2008

Year	Tactic/Strategy	Action/Outcome
2008	<p>Mandatory 40 hours continuing occupational education each year.</p> <p>Members are required to do 20 hours structured learning and 20 hours self-regulated study.</p>	<p><b>Outcome:</b> 100% of the selected random sample audited demonstrated compliance with CPD requirements.</p> <p><b>Outcome:</b> 29 members attended the AVI annual conference held in June 2008. This represents approximately 45% of current membership (10% above the Institute's KPI).</p>

Table 26 AVI Compliance with Disclosure and *Cover of Excellence*<sup>®</sup> Logo Requirements 2008

Year	Action/Outcome
2008	<b>Outcome:</b> A random sample of members participating in the AVI Scheme was selected to provide evidence of compliance with disclosure policy. 100% of members chosen were able to satisfy the AVI Board that requirements were being adhered to.

## NSW Bar Association Risk Management Report

NSW Bar Association's *Cover of Excellence*<sup>®</sup> Scheme operates only in NSW.

Table 27 NSW Bar Association Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
2008	<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><b>Outcome:</b> The NSW Bar reported that claims do not appear to be increasing against members, continuing the trend of the last 4 years.</p> <p><b>Outcome:</b> The total number of insurance claims for the 2007-08 financial year was estimated at 23 claims. The major areas of claims or notifications were commercial and professional conduct.</p> <p><b>Outcome:</b> All four insurers offering professional indemnity insurance to barristers now offer automatic 7-year run-off cover for barristers who retire whilst insured with them.</p>
2007	<p><b>Outcome:</b> The NSW Bar reported that claims do not appear to be increasing against its members, continuing the trend of the past few years. Additionally, the number of claims relative to the number of barristers is quite low.</p> <p><b>Outcome:</b> The total number of insurance claims in the 2006-07 financial year was finalised at 31. The major areas of claims or notifications reported were in professional conduct, commercial, personal injuries, and family law.</p> <p><b>Outcome:</b> 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>
2006	<p><b>Outcome:</b> The NSW Bar Association reported that claims do not appear to be increasing against its members. The number of claims made in the year 2005-06 was 30 and the number of notifications was 86.</p> <p><b>Outcome:</b> Claims against barristers have remained stable or declined slightly over the last few years. There is a decrease in the number of notifications, from 89 in 2004-2005. Major areas of claims or notifications were in professional conduct, commercial, personal injuries and family. No claim approached the limitation of liability.</p>

Table 28 NSW Bar Association Complaints and Discipline 2006-08

Year	Tactic/Strategy	Action/Outcome
2008	For the Bar Council to properly exercise its statutory obligations under the <i>Legal Profession Act 2004</i> (NSW) in respect of complaints and notifications.	<p><b>Outcome:</b> In the 12 months 30 June 2008:</p> <ul style="list-style-type: none"> <li>41 complaints were referred by the Legal Services Commissioner to Bar Council for investigation</li> <li>11 new complaints were made to Bar Council.</li> </ul>
2007	Meet statutory obligations with respect to complaints and notifications and other disclosures under the <i>Legal Profession Act 2004</i> (NSW).	<p><b>Outcome:</b> In the 12 months to 30 June 2007:</p> <ul style="list-style-type: none"> <li>45 complaints were referred by the Legal Services Commissioner and</li> <li>4 new conduct complaints were reported to Bar Council by the Professional Conduct Committees.</li> </ul> <p><b>Action:</b> After a review, new procedures for the Professional Conduct Committees were developed and implemented.</p>
2006	Meet statutory obligations with respect to complaints and notifications and other disclosure requirements under the <i>Legal Professions Act 2004</i> (NSW) and associated regulations.	<p><b>Outcome:</b> 55 new complaints were referred by the Legal Services Commissioner to 30 June 2006 and 7 complaints were made by Bar Council.</p>

Table 29 NSW Bar Association Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Mandatory continuing professional education substantiated (10 CPD points) prior to issuing annual practising certificates.	<p><b>Action:</b> In February 2009 a one-off specialist conference was organised (personal injury). Further specialist conferences are planned for 2009.</p> <p><b>Outcome:</b> Renewal process identified practitioners with insufficient CPD who were given conditional practising certificates subject to undertaking CPD within specified timeframe.</p>
2007	Mandatory continuing professional education (10 CPD points) prior to issuing annual practising certificate.	<p><b>Outcome:</b> Renewal process identified practitioners with insufficient CPD who were given conditional practising certificates subject to undertaking CPD within specified timeframe.</p> <p><b>Action:</b> Implementation of Rhetoric Series to create a professional dialogue on the role of rhetoric and persuasion in the legal profession.</p>
2006	Mandatory continuing professional education (10 CPD points) prior to issuing annual practising certificate.	<p><b>Action:</b> New barristers are required to pass an ethics exam, with a mark of 75% or more.</p> <p><b>Action:</b> Bar Practice Course contains an ethics element; Ethics and Regulation included in the compulsory COE program.</p> <p><b>Action:</b> Course material regularly reviewed by participants and evaluators to ensure currency.</p>

Table 30 NSW Bar Association Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2006-2008

Year	Action/Outcome
2008	<p><b>Action:</b> NSW Bar members require a 'Declaration of Compliance of Disclosure' as part of the renewal of practising certificate.</p> <p><b>Action:</b> 15 members were randomly audited to provide documentary evidence supporting the correct use of the logo.</p> <p><b>Outcome:</b> All members audited are complying with use of disclosure statement and optional use of logo.</p>
2007	<p><b>Action:</b> The NSW Bar notifies new members, in writing, of their obligations under the <i>Cover of Excellence</i>® Scheme, including disclosure requirements and the Professional Standards Council's Policy Statement on Disclosure of Limited Liability.</p> <p><b>Action:</b> NSW Bar members require a 'Declaration of Compliance of Disclosure' as part of the renewal of practising certificates.</p> <p><b>Outcome:</b> 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>
2006	<p><b>Outcome:</b> The NSW Bar reported that 120 barristers were not complying with the disclosure statement.</p> <p><b>Action:</b> All barristers not complying were followed up to ensure that they were using the statement as required before the practising certificate was issued.</p> <p><b>Action:</b> The NSW Bar audited 10 members randomly to provide samples of documents on which they used the disclosure statement.</p> <p><b>Outcome:</b> Of the 10 members, 6 were using the incorrect wording for the disclosure statement and were advised to amend the statement.</p> <p><b>Action:</b> Five of the 22 members who declared they were using the <i>Cover of Excellence</i>® logo were audited.</p> <p><b>Outcome:</b> One member advised that he was incorrectly using the logo when he was not. The other 4 members audited were using the logo correctly.</p>

## CIRCEA Risk Management Report

The College of Investigative and Remedial Consultative Engineers' (NSW) *Cover of Excellence*® Scheme operates only in NSW.

Table 31 CIRCEA Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
2008	<p><b>Outcome:</b> CIRCEA noted that there were no claims against its members for the reporting period. There have been no claims against members since the commencement of this Scheme in 2006.</p> <p>Gross premiums ranged from \$3,500 to approximately \$29,000 for cover up to \$5,000,000 and it was reported that excesses have standardised at \$5,000.</p> <p>Insurance cover was written more readily in 2008 and 2007 than in previous years.</p>
2007	<p><b>Outcome:</b> CIRCEA noted there were no insurance claims against their members reported this year.</p> <p>Insurance cover has been more readily available in 2006-07 than in the previous 2 years, and that premiums appear to have stabilised.</p>
2006	<p><b>Outcome:</b> CIRCEA reported that they had no claims against their members, continuing a trend of the previous few years.</p>

Table 32 CIRCEA Complaints and Discipline 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Each stage of the complaints and discipline procedure is documented to ensure adherence to the procedures set out.	<p><b>Outcome:</b> No complaints were received for the reporting period.</p> <p><b>Action:</b> Review of the complaints and discipline system is now scheduled for 2009.</p>
2007	Not reported in the Council's published Annual Report.	Not reported in the Council's published Annual Report.
2006	CIRCEA Board (Management Committee) maintain commitments to the complaints and discipline processes.	<p><b>Outcome:</b> No complaints were received at the most recent annual general meeting of CIRCEA.</p> <p><b>Action:</b> Restatement of commitment of Board members to complaints and discipline procedures.</p>

Table 33 CIRCEA Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	<p>Members are to complete 150 hours CPD over a three year period.</p> <p>The CIRCEA-run seminar program provides recognised CPD hours annually.</p> <p>Members must certify their CPD compliance according to personal records and association performance audit.</p>	<p><b>Outcome:</b> Audit indicates 100% compliance of CIRCEA members with association requirements.</p> <p><b>Action:</b> Topics of seminars analysed against nature of complaints to assess whether a reduction in complaints has occurred in areas where CPD has been provided.</p>
2007	Not reported in the Council's published Annual Report.	Not reported in the Council's published Annual Report
2006	Not reported in the Council's published Annual Report.	Not reported in the Council's published Annual Report

Table 34 CIRCEA Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2006-2008

Year	Tactic/Strategy
2008	All members are required to adhere to strict compliance with disclosure and <i>Cover of Excellence</i> ® logo requirements as part of membership renewal.
2007	Not reported in the Council's published Annual Report.
2006	Not reported in the Council's published Annual Report.

## CPA Australia Risk Management Report

Table 35 CPA Australia (New South Wales) Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
2008	<p><b>Outcome:</b> There were 3 insurance claims and 5 claim notifications in the reporting period for NSW. During the reporting period the market remained stable but increasingly competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>
2007	<p><b>Outcome:</b> There was 1 insurance claim and 4 claim notifications in the reporting period for NSW members. This is significantly lower than the previous reporting year (5 claims) but continues a long-term trend where the number of claims and the severity of claims is 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>
2006	<p><b>Outcome:</b> There were 2 insurance claims and 9 claim notifications in the reporting period. This is consistent with the previous year's experience where the number and severity of claims is low by historical standards.</p>

Table 36 CPA Australia (New South Wales) Complaints and Discipline 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer examined all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. 9 members were from NSW.</p>
2007	Continual improvements in investigation and disciplinary processes.	<p><b>Outcome:</b> There was a slight increase in complaints from 145 externally initiated complaints to 169, Australia wide in 2007.</p> <p><b>Outcome:</b> 67 members appeared before a disciplinary tribunal with outcomes reported on the CPA Australia website.</p>
2006	Adoption and implementation of a new case management model for complaint and investigation.  Continual improvement in the investigation and disciplinary process and operational efficiency of CPA Australia.	<p><b>Action:</b> Independent review of new model undertaken by the Financial Report Councils.</p> <p><b>Action:</b> Investigation of breaches of standards by Quality Assurance Unit.</p> <p><b>Action:</b> Investigation of any formal complaint against a member.</p> <p><b>Outcome:</b> 145 externally initiated complaints were investigated. The outcomes appear on CPA Australia's website.</p>

SCHEMES IN FOCUS 2008-2009 *continued*

Table 37 CPA Australia (New South Wales) Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program.  Development of new educational pathway for membership development.	<b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.  <b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.  <b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program
2007	Development of mandatory CPD competency requirements for auditors and self-managed superannuation funds (in conjunction with ICAA and NIA).  Provide easily accessible relevant continuing occupational education.	<b>Action:</b> Identification of key knowledge and skills required for undertaking audit and development of competency-based standards on these skills.  <b>Outcome:</b> New standards launched in February 2008.  <b>Action:</b> Strategic investment in course management software to improve content delivery across multiple delivery modes.  <b>Outcome:</b> <i>My Online Learning</i> launched in September 2007 to provide members with more choice and flexibility in undertaking and tracking their development.
2006	Provide easily accessible relevant continuing education.  Review the COE Program.	<b>Action:</b> Seminars for Public Practice series held in regional NSW settings.  <b>Outcome:</b> 3% increase in attendance at training workshop.  <b>Outcome:</b> Members report satisfaction levels (on average) of 4.22 out of 5 (a slight increase from 4.21 last reporting year.

Table 38 CPA Australia (New South Wales) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2006-2008

Year	Action/Outcome
2008	<b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i> ® logo requirements.  <b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.  <b>Action:</b> Audit includes review of letterhead, company structures, quality control and risk management.
2007	<b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i> ® logo requirements.
2006	<b>Action:</b> CPA Australia provided a quality review framework that underlies their compliance program. This quality review framework includes a 5-year review cycle, reported against annually.

## EA Risk Management Report

The Engineers Australia Scheme commenced on 24 February 2007.

Table 39 EA Claims and Insurance Monitoring 2008

Year	Action/Outcome
2008	Insufficient members of the Engineers Australia Scheme to supply meaningful data at this stage.

Table 40 EA Complaints and Discipline 2008

Year	Tactic/Strategy	Action/Outcome
2008	Improve the efficiency of the complaints and disciplinary system.	<p><b>Action:</b> Ethics Awareness Program and review of Code of Ethics.</p> <p><b>Outcome:</b> Development of on-line learning module about ethics for incorporation into Engineering Education Australia's Graduate Program.</p>

Table 41 EA Continuing Occupational Education 2008

Year	Tactic/Strategy	Action/Outcome
2008	Develop an annual schedule of national publications and courses available to members.	<p><b>Outcome:</b> New application introduced for Engineers Australia staff to use to manage and organise events, enhancing web accessibility of members to CPD activities.</p> <p>An increasing number of suitable events continue to be recorded and video access for members provided.</p> <p><b>Outcome:</b> Career Breaks Policy approved by Council in September 2008.</p> <p><b>Outcome:</b> 22 national and international conferences during 2007-08, with nearly 100 keynote and invited speakers and around 2,000 technical sessions, attracting over 6,000 delegates.</p>

Table 42 EA Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2008

Year	Action/Outcome
2008	<p><b>Action:</b> Provide educational material to members on PSC compliance requirements through Engineers Australia magazine and with renewal applications.</p> <p><b>Outcome:</b> Promotion of Engineers Australia Scheme to members in the Engineers Australia magazine. CD of Professional Standards Council <i>Cover of Excellence</i>® logo provided to members upon joining. Website for Engineers Australia Professional Standards Scheme enhanced with multi-media presentation.</p> <p><b>Action:</b> Members encouraged to complete self-assessment form, concerning compliance with disclosure requirements with renewal of membership applications.</p>



**ICAA Risk Management Report**

Table 43 ICAA (New South Wales) Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> There were 6 reported claims in NSW.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is the rise in claims arising from losses incurred as part of the Global Financial Crisis, which is seen as inevitable.</p>
2007	<p><b>Outcome:</b> There was 1 insurance claim for the 2007-reporting year, identified as part of the ICAA audit program.</p>
2006	<p><b>Outcome:</b> ICAA has reported no specific claims data for the 2006 reporting year but has provided information regarding historical claims as part of its application for the renewal of its Scheme. However, as part of a random audit of members, only 1 claim in excess of a \$350,000 benchmark was identified.</p>

Table 44 ICAA (New South Wales) Complaints and Discipline 2007-2008

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or the Charter publication.</p>
2007	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2006-07 financial year the Professional Conduct team initiated investigations into 317 formal complaints.</p> <p><b>Action:</b> Significant amendments were made to Member Complaints and Discipline sections of the website, including:</p> <ul style="list-style-type: none"> <li>• information on complaints processes,</li> <li>• online complaints processes, and</li> <li>• improved access to reports of professional conduct tribunals.</li> </ul>



Table 45 ICAA (New South Wales) Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	<p>Ongoing development of and revision of training products and services to ensure value to members.</p> <p>Monitor compliance of members to meet COE statutory requirements (e.g. company auditors, company liquidators, tax agents, licensed municipal auditor, etc).</p>	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia-wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally, a total of 221 clients and 3,493 hours of in-house training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia-wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p> <p><b>Action:</b> Annual T&amp;D audit conducted nationally. 86.7% of members complied. All non-compliance is followed up and resolved.</p>
2007	<p>Monitor compliance of members to meet COE statutory requirements (e.g. company auditors, company liquidators, tax agents, licensed municipal auditor, etc).</p> <p>Implementation of training toolkits and guidance notes.</p>	<p><b>Action:</b> Focused training on core technical skills.</p> <p><b>Outcome:</b> Rapid increase in in-house training clients (from 66 to 130) over 1850 hours, which was a 48% increase over the previous year.</p> <p><b>Action:</b> New guidance notes include a fully updated <i>Quality Control Guide</i> and revised <i>Members Handbook</i>.</p>
2006	<p>Monitor compliance of members to meet COE statutory requirements (e.g. company auditors, company liquidators, tax agents, licensed municipal auditor, etc).</p>	<p><b>Outcome:</b> Over 80% of members satisfied with COE events and programs but in-house training providers not seen as experts.</p>

SCHEMES IN FOCUS 2008-2009 *continued*

Table 46 ICAA (New South Wales) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2006-2008

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In NSW, 93.77% of respondents to a members' survey confirmed compliance with disclosure requirements. Members' compliance with disclosure requirements in NSW reflects the greater awareness of members in that State, many of whom have been participating members of a Scheme since 1997.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in all mainland States/Territories.</p> <p><b>Outcome:</b> In NSW 27.67% of respondents confirmed that they were using the optional <i>Cover of Excellence</i>® logo.</p>
2007	<p><b>Action:</b> ICAA surveyed 50 practices as part of its compliance-monitoring program, which represents approximately 12% of its members covered by the Scheme in New South Wales. The survey found there were high levels of compliance.</p> <p><b>Outcome:</b> 94% of firms selected in the random audit completed the self-assessment forms within the reporting period. This represents a decrease of 4% in comparison to the previous reporting period.</p> <p><b>Outcome:</b> 100% of respondent's documents carried a statement that liability is limited under the <i>Professional Standards Act 1994</i> (NSW) and included a copy of the Professional Standards Council's Disclosure Policy. ICAA members who were identified as not having used the prescribed form have been followed up by the ICAA, and matters satisfactorily resolved.</p>
2006	<p><b>Action:</b> ICAA undertook a random sample of members for its compliance program.</p> <p><b>Outcome:</b> 98% of firms surveyed returned the survey and indicated compliance with the requirements. ICAA also randomly audits firms to verify the surveys and found 100% compliance.</p>

**Law Society of New South Wales Risk Management Report**

Table 47 Law Society of New South Wales Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
30/6/2008	<p><b>Outcome:</b> The LSNSW reported a slight increase in insurance claims from 596 in the last reporting period to 607 notifications in this period. There has been an increase in claims in the areas of mortgages and other litigation areas of practice, reflective of the impact of the current financial induced crisis and recessionary environment.</p> <p>The LSNSW also noted that the availability of professional indemnity insurance is satisfactory up to the compulsory level of \$1.5million.</p>
30/06/2007	<p><b>Outcome:</b> The LSNSW reported a drop in insurance claims from 701 in the last reporting period to 596 claims in this period. The main 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>

Table 48 Law Society of New South Wales Complaints and Discipline 2006-2008

Year	Tactic/Strategy	Action/Outcome
30/6/2008	Decrease in negligence claims and complaints over the long term.	<p><b>Outcome:</b> The Professional Standards Department (of the LSNSW) opened 594 complaints, 8% more than the previous period.</p> <p><b>Outcome:</b> During the same period the Office of the Legal Services Commissioner received 2,423 written complaints (64 fewer than the previous year).</p> <p><b>Outcome:</b> 9 solicitors were reprimanded, 22 referred to the Administrative Decisions Tribunal, 10 had their practising certificate cancelled or suspended, 5 had names removed from the Supreme Court Roll.</p>
30/6/2007	Decrease in negligence claims and complaints over the long term.	<p><b>Outcome:</b> The Professional Standards Department (of the LSNSW) opened 540 complaints (19% less than the previous period).</p> <p><b>Outcome:</b> During the same period the Office of the Legal Services Commissioner received 2,487 written complaints (33 less than the previous year).</p> <p><b>Outcome:</b> 16 solicitors were reprimanded, 26 referred to the Administrative Decisions Tribunal, 16 had their practising certificate cancelled or suspended, 6 had names removed from the Supreme Court Roll.</p>

Table 49 Law Society of New South Wales Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
30/6/2008	Annual audit of members to monitor compliance with mandatory continuing professional education requirements.  Course attendance statistics.	<p><b>Action:</b> 660 members randomly audited this year.</p> <p><b>Outcome:</b> Continued high levels of compliance with only 3 members with compliance issues — addressed through extension of time. 10 members also requested extensions of time to complete first 3 year cycle of Regulation 176.</p> <p><b>Outcome:</b> Compliance rates (approx 98%) have remained stable since at least 2004.</p> <p><b>Outcome:</b> Approximately 55 solicitors accredited during the reporting year in specialist fields taking total accredited specialist to over 1,400.</p> <p><b>Action:</b> From 1 April 2009 Education in three core areas is mandatory in:</p> <ul style="list-style-type: none"> <li>• Ethics and Professional Responsibility</li> <li>• Practice Management and Business skills</li> <li>• Professional Skills.</li> </ul>
30/6/2007	Annual audit of members to monitor compliance with mandatory continuing professional education requirements.  Course attendance statistics.	<p><b>Action:</b> 550 members randomly audited this year.</p> <p><b>Outcome:</b> Continued high level of compliance with less than 2% or 11 practitioners with compliance issues – addressed through extension of time.</p> <p><b>Outcome:</b> Compliance rates (approx 98%) have remained stable since at least 2004.</p> <p><b>Outcome:</b> 100 solicitors accredited during the reporting year in specialist fields such as advocacy, commercial litigation, mediation and taxation law.</p> <p><b>Outcome:</b> During 2006-07, 147 programs were delivered to 3,584 participants by LawCover. More than 35 regional and other seminars were also held.</p>

Table 50 Law Society of New South Wales Compliance with Disclosure and *Cover of Excellence*<sup>®</sup> Requirements 2006-2008

Year	Action/Outcome
30/6/2008	<b>Action:</b> Firms required to provide evidence of current disclosure at time of annual renewal.
30/6/2007	<b>Action:</b> Firms required to provide evidence of current disclosure at time of annual renewal.

## NIA Risk Management Report

The National Institute of Accountants *Cover of Excellence*<sup>®</sup> Scheme operates only in NSW.

Table 51 NIA Claims and Insurance Monitoring 2006-2008

Year	Action/Outcome
2008	<p><b>Outcome:</b> NIA reported 2 claims.</p> <p>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.</p>
2007	<p><b>Outcome:</b> NIA reported not being aware of any claims against members.</p> <p>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 average costs are 2% of gross fees.</p>
2006	<p><b>Outcome:</b> NIA reported 4 insurance claims made against a total of over 900 public practitioners (a decrease from 10 claims in the previous reporting period).</p>

Table 52 NIA Complaints and Discipline 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Maintain a complaints and disciplinary system that is accessible, open, responsive and independent.	<p><b>Action:</b> The NIA has a “complaints lodgement” form which is used for all complaints against members.</p> <p><b>Action:</b> The investigations process is subject to an external review by a quality assurance auditor as part of the NIA’s ISO 9001:2000 accreditation process.</p> <p><b>Outcome:</b> 11 new complaints against NSW members.</p> <p><b>Outcome:</b> Complaints data is used to inform the development of training programs. For example, as a result of the 2007 claims data, there have been changes to the Continuing Professional Education program to provide additional courses on Self Managed Superannuation Funds (SMSF) audit and compliance events.</p>
2007	Maintain a complaints and disciplinary system that is accessible, open, responsive and independent.	<p><b>Action:</b> Additional independent (non-NIA) members added to the Complaints Tribunal and improved streamlined processes.</p> <p><b>Action:</b> Investigation process is subject to annual external review to comply with ISO 9001:2000 accreditation processes.</p> <p><b>Outcome:</b> 12 new complaints against NSW members.</p>
2006	<p>Maintain a complaints and disciplinary system which is accessible, open, responsive and independent.</p> <p>Improve the collection, collation and reporting of complaints data and complaints processes.</p>	<p><b>Outcome:</b> A statistically very small number of complaints received against NSW members (10 new complaints out of 5,700 members).</p> <p><b>Outcome:</b> There have been no formal complaints about the complaints and discipline processes since the Scheme began.</p>

Table 53 NIA Continuing Occupational Education 2006-2008

Year	Tactic/Strategy	Action/Outcome
2008	Secure members compliance with COE requirements.	<p><b>Action:</b> The NIA undertakes a random bi-annual COE survey of 500 members to ensure compliance with COE obligations.</p> <p><b>Outcome:</b> At the last survey the vast majority of members were found to be compliant. Those not compliant are assisted to ensure they will be compliant for the next period.</p>
2007	Secure members compliance with COE requirements.	<p><b>Action:</b> Random audit of members and self-evaluation of compliance.</p> <p><b>Action:</b> Non-complying members may have membership downgraded if they fail to take remedial action.</p> <p><b>Outcome:</b> 1 member was sent for disciplinary review, suspended and fined for defiance in failing to document training adequately undertaken.</p>
2006	Secure members compliance with COE requirements.	<p><b>Action:</b> Random audit of members and self-evaluation of compliance.</p> <p><b>Action:</b> COE requirements checked as part of quality review program.</p> <p><b>Action:</b> All non-complying members were required to undergo a further audit in 12 months or sent for investigation.</p>

Table 54 NIA Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2006-2008

Year	Action/Outcome
2008	<p><b>Action:</b> NIA surveyed 25% of its NSW members.</p> <p><b>Outcome:</b> The survey found that 90% of members surveyed were using the prescribed form. Non-compliance is being followed up.</p>
2007	<p><b>Action:</b> As in the 2006 reporting period, the NIA surveyed 25% of its NSW members to gauge compliance with <i>Cover of Excellence</i>® disclosure requirements.</p> <p><b>Outcome:</b> The survey found that there was a 94% compliance rate, with non-compliance being followed up by the NIA.</p>
2006	<p><b>Action:</b> NIA surveyed 25% of its NSW members to gauge if members were aware of the need to comply with disclosure, <i>Cover of Excellence</i>® logo requirements and insurance and business asset requirements. The members who were not aware of the requirement were in the process of being contacted by the NIA to remind them of the requirements.</p> <p><b>Action:</b> NIA also required a sample of members to complete a self-assessment form to assess members' levels of compliance.</p> <p><b>Outcome:</b> The self-assessment forms indicated that 97% of members were using the appropriate disclosure statement (an increase of 5% on last reporting period).</p> <p><b>Outcome:</b> Only 42% of members were found to be using the new logo.</p>

### PSOA Risk Management Report

The current PSOA Scheme started on 12 November 2007, and PSOA was not required to report in the 2007 reporting year. For this Scheme, this is the first time that a Risk Management Report is required.

Table 55 PSOA Claims and Insurance Monitoring 2008

Year	Action/Outcome
2008	<p>Insurance for 94% of all PSOA members provided by one insurer.</p> <p><b>Outcome:</b> 4 claims settled in the year.</p>

Table 56 PSOA Complaints and Discipline 2008

Year	Tactic/Strategy	Action/Outcome
2008	Increase number of members that have quality assurance and complaints and discipline systems in place.	<b>Outcome:</b> 3 members (approx. 10%) indicated that they have certified QA systems in place

Table 57 PSOA Continuing Occupational Education 2008

Year	Tactic/Strategy	Action/Outcome
2008	100% of members to sign renewal declaration of CPD undertaken.	<p><b>Outcome:</b> 100% of members advised that COE was undertaken as required.</p> <p><b>Outcome:</b> Audit revealed that 5% of members did not meet all COE requirements. Members are being followed up.</p>

Table 58 PSOA Compliance with Disclosure and *Cover of Excellence*® Logo Requirements 2008

Year	Action/Outcome
2008	Not reported in Council's published Annual Report.

## RISK MANAGEMENT REPORTS FROM THE NORTHERN TERRITORY

### CPA Australia Risk Management Report

This is the first time that CPA Australia has been required to submit a Risk Management Report in the Northern Territory.

Table 59 CPA Australia (Northern Territory) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> There were 0 insurance claims in the reporting period for the Northern Territory.</p> <p>During the reporting period the market remained stable but increasing competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 60 CPA Australia (Northern Territory) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer reviewed all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary hearing, of which 0 were from NT.</p>

Table 61 CPA Australia (Northern Territory) Continuing Occupational Development

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program. Development of new educational pathway for membership development.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p> <p><b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 62 CPA Australia (Northern Territory) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i>® logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, and quality control and risk management.</p>



## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in the Northern Territory.

Table 63 ICAA (Northern Territory) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For the Northern Territory there were 0 reported claims.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be an increase in claims arising from losses incurred as part of the Global Financial Crisis.</p>

Table 64 ICAA (Northern Territory) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or the Charter publication.</p>

Table 65 ICAA (Northern Territory) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development of and revision of training products and services to ensure value to members.	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of inhouse training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 66 ICAA (Northern Territory) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In the Northern Territory 100% of respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 5.56% of respondents confirmed that there were using the optional <i>Cover of Excellence</i>® logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>



## RISK MANAGEMENT REPORTS FROM QUEENSLAND

### CPA Australia Risk Management Report

This is the first time that CPA Australia has been required to submit a Risk Management Report in Queensland.

Table 67 CPA Australia (Queensland) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> There was 1 insurance claim and 4 claim notifications in the reporting period for Queensland.</p> <p>During the reporting period the market remained stable but increasing competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 68 CPA Australia (Queensland) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer reviewed all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. 7 members were from Queensland.</p>

Table 69 CPA Australia (Queensland) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program. Development of new educational pathway for membership development.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p> <p><b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 70 CPA Australia (Queensland) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i>® logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, quality control and risk management.</p>

## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in Queensland.

Table 71 ICAA (Queensland) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For Queensland there were 2 reported claims.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be an increase in claims arising from losses incurred as part of the Global Financial Crisis.</p>

Table 72 ICAA (Queensland) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or the Charter publication.</p>

Table 73 ICAA (Queensland) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development of and revision of training products and services to ensure value to members.	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of in-house training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 74 ICAA (Queensland) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In Queensland, 81.99% respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 2.28% of respondents confirmed that there were using the optional <i>Cover of Excellence</i>® logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>

## RISK MANAGEMENT REPORTS FROM SOUTH AUSTRALIA

### CPA Australia Risk Management Report

This is the first time that CPA Australia has been required to submit a Risk Management Report in South Australia.

Table 75 CPA Australia (South Australia) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> There was 1 insurance claim and 2 claim notifications in the reporting period for South Australia.</p> <p>During the reporting period the market remained stable but increasing competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 76 CPA Australia (South Australia) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer reviewed all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. 3 members were from South Australia.</p>

Table 77 CPA Australia (South Australia) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program.  Development of new educational pathway for membership development.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p> <p><b>Action:</b> In 2010, CPA Australia will launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 78 CPA Australia (South Australia) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i>® logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, quality control and risk management.</p>

## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in South Australia.

Table 79 ICAA (South Australia) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For South Australia there were 0 reported claims.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be an increase in claims arising from losses incurred as part of the Global Financial Crisis.</p>

Table 80 ICAA (South Australia) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or the Charter publication.</p>

Table 81 ICAA (South Australia) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development of and revision of training products and services to ensure value to members.	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of inhouse training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia-wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 82 ICAA (South Australia) Compliance with Disclosure and *Cover of Excellence*® Logo and Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In South Australia, 81.42% respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 2.21% of respondents confirmed that there were using the optional <i>Cover of Excellence</i>® logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>

## RISK MANAGEMENT REPORTS FROM VICTORIA

### CPA Australia Risk Management Report

This is the first time that CPA Australia has been required to submit a Risk Management Report in Victoria.

Table 83 CPA Australia (Victoria) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> There were 2 insurance claims and 7 claim notifications in the reporting period for Victoria.</p> <p>During the reporting period the market remained stable but increasing competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 84 CPA Australia (Victoria) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer reviewed all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. 14 members were from Victoria.</p>

Table 85 CPA Australia (Victoria) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program.  Development of new educational pathway for membership development.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p> <p><b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 86 CPA Australia (Victoria) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i>® logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, quality control and risk management.</p>

## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in Victoria.

Table 87 ICAA (Victoria) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For Victoria there were 2 reported claims.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be a increase in claims arising from losses incurred as part of the Global Financial Crisis.</p>

Table 88 ICAA (Victoria) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or the Charter publication.</p>

Table 89 ICAA (Victoria) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development of and revision of training products and services to ensure value to members.	<p>Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of inhouse training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia-wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 90 ICAA (Victoria) Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In Victoria, 76.55% respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 2.49% of respondents confirmed that there were using the optional <i>Cover of Excellence</i>® logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>

## Victorian Bar Incorporated Risk Management Report

The Victorian Bar Scheme started on 1 July 2008.

Table 91 Victorian Bar Incorporated Claims and Insurance Monitoring

Year	Action/Outcome
2008	<b>Outcome:</b> For the 2008 year there were 40 new claims.

Table 92 Victorian Bar Incorporated Complaints and Discipline

Year	Action/Outcome
2008	<p>The Legal Services Commission (LSC) is conferred with authority to deal with complaints against the legal practitioners. Unless the LSC refers a particular matter to it, the VIC Bar has no power under the Legal Practitioners Act (LPA) to directly investigate a complaint against a member.</p> <p><b>Action:</b> The VIC Bar publishes outcomes of disciplinary action, unless otherwise ordered, in its publication "Victorian Bar News".</p> <p><b>Action:</b> The VIC Bar publicises the rules under which members are governed. These rules are being revised as a part of the national harmonisation process. The VIC Bar will measure the public's perception of the rules after publication.</p> <p><b>Action:</b> A protocol dealing with ethical complaints and disclosures has been introduced to provide greater role clarity over which of the Bar Council, the Counsel Committee and the Ethics Committee has responsibility for complaints and which for disclosures. The Compliance Manager ensures timely and consistent handling of complaints and disclosures.</p>

Table 93 Victorian Bar Incorporated Continuing Occupational Education

Year	Action/Outcome
2008	<p>Each barrister is required to earn 10 CPD points a year covering four compulsory fields – ethics and professional responsibility, skills, substantive law, and practice management and business skills. Compliance is monitored annually at the time practising certificates are renewed.</p> <p><b>Action:</b> Formal assessment was introduced to the Readers Course. An audit of compliance with the CPD Rules will be conducted in 2009.</p> <p><b>Action:</b> Duty Barristers' Scheme was introduced during 2008, giving unrepresented litigants access to counsel and providing further vocational training opportunity for relatively new barristers.</p>

Table 94 Victorian Bar Incorporated Compliance with Disclosure and *Cover of Excellence*® Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> The VIC Bar will undertake a random audit of documents issued by a barrister, or a barrister's clerk on behalf of a barrister, to ensure compliance with disclosure under the <i>Professional Standards Act 2003</i> (Victoria).</p> <p><b>Action:</b> Provide educational material to members on the usage of the <i>Cover of Excellence</i>® logo, business asset requirements through the Association's magazine and renewal processes.</p>



## RISK MANAGEMENT REPORTS FROM WESTERN AUSTRALIA

### CPA Australia Risk Management Report

This is the first time that CPA Australia has been required to submit a Risk Management Report in Western Australia.

Table 95 CPA Australia (Western Australia) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p><b>Outcome:</b> There were 3 insurance claim notifications in the reporting period for Western Australia covered by their Scheme.</p> <p>During the reporting period the market remained stable but increasing competitive.</p> <p>There are in excess of 27 underwriters willing to provide Professional Indemnity Insurance for CPA Australia accountants.</p>

Table 96 CPA Australia (Western Australia) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Continual improvements in investigation and disciplinary processes.	<p><b>Action:</b> An external independent reviewer reviewed all aspects of the disciplinary process and made recommendations.</p> <p><b>Outcome:</b> In 2008, there were 163 externally initiated complaints investigated across Australia along with previous complaints carried over from 2007.</p> <p><b>Outcome:</b> 42 members appeared before a disciplinary tribunal, with the outcomes reported on the website. 5 members were from Western Australia.</p>

Table 97 CPA Australia (Western Australia) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Continuation of CPA Program.  Development of new educational pathway for membership development.	<p><b>Action:</b> The Education Advisory Committee meets 4 times a year to provide strategic oversight and quality assurance for the CPA Program.</p> <p><b>Outcome:</b> Eight-unit conversion courses are now able to be accredited. The first course was accredited in late 2008.</p> <p><b>Action:</b> In 2010, CPA Australia will also launch a series of 8 Foundation Exams designed to access the core knowledge as an alternative pathway to commencing the CPA program.</p>

Table 98 CPA Australia (Western Australia) Compliance with Disclosure and *Cover of Excellence*<sup>®</sup> Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> CPA Australia provided a quality review framework for implementing and assessing compliance with disclosure of limited liability and <i>Cover of Excellence</i><sup>®</sup> logo requirements.</p> <p><b>Action:</b> There is a 5-year (i.e. 20% annually) review cycle as part of the quality assurance program.</p> <p><b>Action:</b> Audit includes review of letterhead, company structures, and quality control and risk management.</p>

## ICAA Risk Management Report

This is the first time that ICAA has been required to submit a Risk Management Report in Western Australia.

Table 99 ICAA (Western Australia) Claims and Insurance Monitoring

Year	Action/Outcome
2008	<p>The Institute does not recommend, mandate or limit broker choice for members seeking PII cover.</p> <p><b>Action:</b> Members were asked to identify the broker who had arranged their PII. 67.21% of brokers nominated by members have undertaken to comply with the Institute's PII Regulations.</p> <p><b>Action:</b> The Institute sought information regarding any formal claim in excess of \$500,000 lodged against members or firms in the 2007 or 2008 calendar year.</p> <p><b>Outcome:</b> For Western Australia there was 1 reported claim.</p> <p>Feedback from brokers and insurers indicates that after several years of soft market for insurance, Australia is likely to see a hardening of the PII market. One of the key factors is expected to be an increase in claims arising from losses incurred as part of the Global Financial Crisis.</p>

Table 100 ICAA (Western Australia) Complaints and Discipline

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing compliance with Statement of Membership Obligations (SMO 6): Investigation and Discipline.	<p><b>Outcome:</b> During the 2007-08 financial year the Professional Conduct team initiated investigations into 259 formal complaints nationally. This was a decrease from 317 the previous year.</p> <p><b>Action:</b> Professional Conduct Tribunal outcomes published on Institute website or Charter publication.</p>

Table 101 ICAA (Western Australia) Continuing Occupational Education

Year	Tactic/Strategy	Action/Outcome
2008	Ongoing development of and revision of training products and services to ensure value to members.	<p><b>Action:</b> Training and development primarily focused on delivering training across Tax, Accounting, Audit and Superannuation topics. Issues and topics are selected on the basis of member requirements identified by Institute and member technical specialists as well as feedback from external regulators.</p> <p><b>Action:</b> Audit training was delivered to 445 attendees Australia wide to support the Audit Manual and Toolkit which was launched in July 2008.</p> <p><b>Outcome:</b> Continued rapid expansion of the Institute's in-house training service. Nationally a total of 221 clients and 3,493 hours of inhouse training delivered in 2008.</p> <p><b>Outcome:</b> Live on-line training available to all members. 1,300 members Australia wide participated to 31 December 2008.</p> <p><b>Outcome:</b> Quality review processes identified 14% of practices Australia wide had not completed the minimum training requirements. Appropriate follow-up was arranged.</p>

Table 102 ICAA (Western Australia) Compliance with disclosure and *Cover of Excellence*<sup>®</sup> Logo Requirements

Year	Action/Outcome
2008	<p><b>Action:</b> All members practices were requested to confirm that they are complying with the disclosure of their limitation of liability in accordance with the requirements of the professional standards legislation and regulation.</p> <p><b>Outcome:</b> In Western Australia, 79.49% respondents to a members' survey confirmed compliance with disclosure requirements.</p> <p><b>Outcome:</b> 1.83% of respondents confirmed that there were using the optional <i>Cover of Excellence</i><sup>®</sup> logo.</p> <p><b>Action:</b> ICAA will target communications to raise awareness of the disclosure requirements in those States/Territories which have new Schemes.</p>

# FINANCIAL AND STATUTORY REPORTING FOR THE PROFESSIONAL STANDARDS COUNCILS

## CONSOLIDATED FINANCIAL PERFORMANCE EXTRACT 2008-2009<sup>1</sup>

	Cons	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
<b>REVENUE <sup>2</sup></b>									
Application Fees	20,000	15,000	5,000	0	0	0	0	0	0
Annual Fees	1,942,533	1,073,969	211,971	396,383	83,504	141,712	28,342	6,652	0
<b>TOTAL REVENUE</b>	<b>1,962,533</b>	<b>1,088,969</b>	<b>216,971</b>	<b>396,383</b>	<b>83,504</b>	<b>141,712</b>	<b>28,342</b>	<b>6,652</b>	<b>0</b>
<b>EMPLOYEE RELATED PAYMENTS</b>									
Salaries and Wages	505,490	280,486	55,885	102,096	21,508	36,501	7,300	1,713	0
Leave Entitlements	57,160	31,717	6,319	11,545	2,432	4,127	825	194	0
Workers' Compensation	4,113	2,282	455	831	175	297	59	14	0
Payroll Tax	37,486	20,800	4,144	7,571	1,595	2,707	541	127	0
Overtime	0	0	0	0	0	0	0	0	0
Superannuation	44,982	24,959	4,973	9,085	1,914	3,248	650	152	0
Crown Liabilities and Superannuation	22,331	12,391	2,469	4,510	950	1,612	322	76	0
<b>TOTAL EMPLOYEE RELATED</b>	<b>671,561</b>	<b>372,635</b>	<b>74,246</b>	<b>135,638</b>	<b>28,574</b>	<b>48,493</b>	<b>9,698</b>	<b>2,276</b>	<b>0</b>
<b>OTHER OPERATING EXPENSES</b>									
Advertising and Publicity	17,983	9,978	1,988	3,632	765	1,299	260	61	0
External Audit	20,300	11,264	2,244	4,100	864	1,466	293	69	0
Consultancies <sup>3</sup>	32,500	18,034	3,593	6,564	1,383	2,347	469	110	0
Contractors	3,133	1,738	346	633	133	226	45	11	0
Depreciation	31,066	17,238	3,435	6,275	1,322	2,243	449	105	0
Electricity and Gas	3,343	1,855	370	675	142	241	48	11	0
Fees:									
- Board Fees <sup>4</sup>	27,997	15,535	3,095	5,655	1,191	2,022	404	95	0
- Other Fees	32,159	17,844	3,555	6,495	1,368	2,322	464	109	0
Freight & Cartage	0	0	0	0	0	0	0	0	0
General Expenses (including bank charges)	109	60	12	22	5	8	2	0	0
Insurance	130	72	14	26	6	9	2	0	0
Lease of Equipment	0	0	0	0	0	0	0	0	0
Maintenance	341	189	38	69	15	25	5	1	0

	Cons	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
Motor vehicles	0	0	0	0	0	0	0	0	0
Postal Expenses	0	0	0	0	0	0	0	0	0
Printing	9,372	5,200	1,036	1,893	399	677	135	32	0
Publications	2,477	1,375	274	500	105	179	36	8	0
Rates and Outgoings	3	2	0	1	0	0	0	0	0
Rent	50,820	28,199	5,618	10,264	2,162	3,670	734	172	0
Staff Expenses	10,909	6,053	1,206	2,203	464	788	158	37	0
Stores and Stationery	3,699	2,053	409	747	157	267	53	13	0
Telephone	559	310	62	113	24	40	8	2	0
Travel	40,399	22,417	4,466	8,160	1,719	2,917	583	137	0
<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>287,300</b>	<b>159,417</b>	<b>31,763</b>	<b>58,027</b>	<b>12,224</b>	<b>20,746</b>	<b>4,149</b>	<b>974</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>958,861</b>	<b>532,052</b>	<b>106,008</b>	<b>193,666</b>	<b>40,799</b>	<b>69,238</b>	<b>13,847</b>	<b>3,250</b>	<b>0</b>
Less Crown Liabilities	22,331	12,391	2,469	4,510	950	1,612	322	76	0
Less Depreciation	31,066	17,238	3,435	6,275	1,322	2,243	449	105	0
<b>NET TOTAL EXPENDITURE <sup>5</sup></b>	<b>905,463</b>	<b>502,423</b>	<b>100,105</b>	<b>182,881</b>	<b>38,527</b>	<b>65,382</b>	<b>13,076</b>	<b>3,069</b>	<b>0</b>
<b>FINAL NET POSITION</b>	<b>1,057,070</b>	<b>586,546</b>	<b>116,866</b>	<b>213,502</b>	<b>44,977</b>	<b>76,330</b>	<b>15,266</b>	<b>3,583</b>	<b>0</b>

Notes:

1. This unaudited statement is derived from information provided by the New South Wales Attorney General's Department (AGD) and records kept by the Secretariat. The AGD provides financial services to the Councils and the Councils' financial information forms part of the Financial Statement published in the AGD Annual Report, which is subject to audit by the NSW Auditor-General. 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 New South Wales Attorney General's Department (AGD) incorporating variances from estimated expenditure figures used to derive service charges.

Under the Professional Standards Interdepartmental Service Agreement 2008 signed by all the States and Territories with the New South Wales 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 New South Wales 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 2009. These amounts do not include Goods and Services Tax. The amount of service charges to the various PSCs totalling \$391,888 is shown below:

	Cons	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
Service charge paid to NSW AGD	391,888	n/a	97,360	177,796	37,509	63,510	12,730	2,984	0

There is a variation between the service charge invoiced to each Council on 30 June 2009 and final service charge to be applied for 2008-2009. The total variation is \$11,152. Therefore the total amount invoiced should have been \$403,040.

The variations for each Council will be settled during the year ended 30 June 2010, and are as shown below:

	Cons	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
Variation to be payable to NSW AGD Q1 2009-10	11,152	n/a	2,745	5,085	1,018	1,872	346	86	0

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

	Cons	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
Service charge payable to NSW AGD	403,040	n/a	100,105	182,881	38,527	65,382	13,076	3,069	0

## THE PROFESSIONAL STANDARDS COUNCIL OF THE AUSTRALIAN CAPITAL TERRITORY

### Constitution of the Council

The members of the Professional Standards Council of the Australian Capital Territory were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Madeleine Ogilvie was entitled to attend all six meetings, however was on approved leave from the Professional Standards Council of the Australian Capital Territory on four occasions, at which times her delegate attended on her behalf.

Table 103 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

*The Civil Law (Wrongs) Act 2002 (ACT)* was amended to allow fees to be paid at the end of the quarter commencing on 1 July 2008.

### Financial performance

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

Refer to the Consolidated Financials Performance Extract of the Professional Standards Councils at the beginning of this section, for 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

The members of the Professional Standards Council of New South Wales were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Ms Ogilvie was entitled to attend all six meetings, however was on approved leave from the Professional Standards Council of New South Wales on four occasions, at which times her delegate attended on her behalf.

Table 104 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

During the period, the *Professional Standards Act 1994* (NSW) was not amended.

Amendments to the *Professional Standards Act 1994* (NSW) noted in the 2007-08 Annual Report from the *Miscellaneous Acts (Local Court) Amendment Act 2007 No 94* have yet to commence.

### 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 statements, but the OPSC is responsible for ensuring the collection of revenue and operating within budget. During the reporting period, the OPSC undertook these tasks.

Refer to the Consolidated Financials Performance Extract of the Professional Standards Councils at the beginning of this section, for 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

The members of the Professional Standards Council of the Northern Territory were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008). Ms Lisa Hunt was appointed after the last Council meeting for the financial year and was thus not entitled to attend any meetings.

Note: Ms Ogilvie was entitled to attend all six meetings, however was on approved leave from the Professional Standards Council of the Northern Territory on four occasions, at which times her delegate attended on her behalf.

Table 105 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Lisa Hunt	0	0	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

There were no major legislative changes to professional standards legislation in the Northern Territory in 2008-09.

### Financial performance

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

Refer to the Consolidated Financials Performance Extract of the Professional Standards Councils at the beginning of this section, for 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

The members of the Professional Standards Council of Queensland were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008). Ms Lisa Hunt was appointed as the Commonwealth representative after the last meeting for the financial year and was thus not entitled to attend any meetings.

In February 2009, there were insufficient appointed members to create a legislated quorum of the Professional Standards Council of Queensland. For this reason, in 2008-09 there were only five meetings of the Professional Standards Council of Queensland.

Note: Ms Ogilvie was entitled to attend all five meetings, however was on approved leave from the Professional Standards Council of Queensland on four occasions at which times her delegate attended on her behalf.

Table 106 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	5	5	4	4
Robert Beaton	5	4	n/a	n/a
Steven Cole	5	5	4	4
Terry Evans	5	5	n/a	n/a
Ronald Farrell	5	5	4	3
Justin Harper	5	3	n/a	n/a
Lisa Hunt	0	0	n/a	n/a
Joanne Metcalfe	5	5	n/a	n/a
Madeleine Ogilvie/delegate	5	5	n/a	n/a
Brian Rayment	5	5	n/a	n/a
Iain Summers	5	5	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

The *Justice and Other Legislation Amendment Act 2008* (Qld) contained amendments to the *Professional Standards Act 2004* (Qld) (the Act) which commenced on 25 November 2008. These amendments:

- implemented changes as approved by the Standing Committee of Attorneys-General to allow for the mutual recognition in States and Territories of a scheme to operate nationally;
- made a technical drafting change to ensure that the provisions for giving notice of approval of a scheme are consistent with other Queensland legislation providing for the notification of subordinate legislation; and
- extended the deadline for review of the Act in section 72 given the few schemes that have been approved in Queensland to date and forthcoming reviews in a number of other jurisdictions, including the proposed Commonwealth review of professional standards legislation expected to commence in 2010.

## 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 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 disclosure covered by the *Whistleblowers Protection Act 1994* (Qld).

## Public Records Act 2002 (Qld)

Sound record keeping practices underpin good 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: Record keeping.

## 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 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 statements of the Professional Standards Council of Queensland are attached as an addendum to this report. 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

The members of the Professional Standards Council of South Australia were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Ms Ogilvie was entitled to attend all six meetings, however was on approved leave from the Professional Standards Council of South Australia on four occasions, at which times her delegate attended on her behalf.

Table 107 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Fraud

There was no instance of fraud during the 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 and statutory requirements can be accessed on the website of the Professional Standards Councils:

- Policy Statement on Professional Indemnity Insurance,
- Policy Statement on Complaints and Discipline Systems,
- Statutory requirement for disclosure of limited liability,
- Policy Statement on Payment on Annual Fees,
- Policy on Business Entity Associations, and
- A Framework for Compliance under Professional Standards Legislation.

### **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 OPSC between 9.00 am and 5.00 pm from Monday to Friday (public holidays excepted).

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

### **Major legislative changes**

There were no major legislative changes to professional standards legislation in South Australia in 2008-09.

### **Financial performance**

The audited financial statements 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

The members of the Professional Standards Council of Tasmania were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Ms Ogilvie was entitled to attend all six meetings, however was on approved leave from the Professional Standards Council of Tasmania on four occasions, at which times her delegate attended on her behalf.

Table 108 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

There were no major legislative changes to professional standards legislation in Tasmania in 2008-09.

### Financial performance

The Professional Standards Council of Tasmania is not responsible for compiling financial statements, but the OPSC is responsible for ensuring the collection of revenue and operating within budget. During the reporting period, the OPSC undertook these tasks.

Refer to the Consolidated Financials Performance Extract of the Professional Standards Councils at the beginning of this section, for 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

The members of the Professional Standards Council of Victoria were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Ms Ogilvie was entitled to attend all 6 meetings, however was on approved leave from the Professional Standards Council of the Victoria on four occasions, at which times her delegate attended on her behalf.

Table 109 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

### Major legislative changes

There were no major legislative changes to professional standards legislation in Victoria in 2008-09.

### Manner and establishment of 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 requires all entities defined as a 'Department' under section 3 of the *Financial Management Act 1994 (Vic)* 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 \$3 million in metropolitan Melbourne or \$1 million in regional Victoria; therefore VIPP reporting is not required.

**Freedom of Information reporting**

Victoria's *Freedom of Information Act 1992 (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 the Building Act 1993 (Vic)**

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

**Whistleblowers Protection Act 2001 (Vic)**

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 2009, the Professional Standards Council of Victoria did not receive any disclosures covered by the *Whistleblowers Protection Act 2001 (Vic)*

Table 110 Whistleblowers Reporting in Victoria in 2008-2009

Whistleblower's reporting 2008-09	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 by 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 and 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**

The audited financial statements of the Professional Standards Council of Victoria 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 WESTERN AUSTRALIA

## Background

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

## Constitution of the Council

The members of the Professional Standards Council of Western Australia were: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper (resigned May 2009), Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson (retired December 2008).

Note: Ms Ogilvie was entitled to attend all 6 meetings, however was on approved leave from the Professional Standards Council of Western Australia on four occasions at which times her delegate attended on her behalf.

Table 111 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	6	6	4	4
Robert Beaton	6	4	n/a	n/a
Steven Cole	6	6	4	4
Terry Evans	6	6	n/a	n/a
Ronald Farrell	6	6	4	3
Justin Harper	6	3	n/a	n/a
Joanne Metcalfe	6	5	n/a	n/a
Madeleine Ogilvie/delegate	6	6	n/a	n/a
Brian Rayment	6	6	n/a	n/a
Iain Summers	6	6	4	4
Warwick Wilkinson	4	4	n/a	n/a

## Major legislative changes

There were no major legislative changes to professional standards legislation in Western Australia in 2008-09.

## Financial performance

The audited financial statements of the Professional Standards Council of Western 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.

# APPENDIX

## Cost of Annual Report

The Professional Standards Councils' Annual Report was produced in-house with an external graphic designer and printer. A downloadable version can be found on the Councils' website at [www.psc.gov.au](http://www.psc.gov.au).

200 hard copies were initially produced to meet Parliamentary tabling requirements. 400 copies of the report are expected to be produced on CD ROM. An additional print run may be undertaken once financial audits are completed. The estimated cost of production is \$17,000.

## Overseas travel

Nil.

## Professional standards legislation

- Australian Capital Territory — *Civil Law (Wrongs) Act 2002* (ACT) (commenced 9 March 2005; amended 7 May 2008)
- New South Wales — *Professional Standards Act 1994* (NSW) (commenced 1 May 1995; amended in 1998, 2000, 2004, 2006, 2007 and 2008)
- Northern Territory — *Professional Standards Act 2004* (NT) (commenced 1 January 2006; amended in 2007 and 2008)
- Queensland — *Professional Standards Act 2004* (QLD) (commenced 1 July 2005; amended 2007 and 2008)
- South Australia — *Professional Standards Act 2004* (SA) (commenced 1 October 2006)
- Tasmania — *Professional Standards Act 2005* (TAS) (commenced 1 August 2005; amended in 2006 and 2007)
- Victoria — *Professional Standards Act 2003* (VIC) (commenced 8 June 2004; amended in 2007 and 2008)
- Western Australia — *Professional Standards Act 1997* (WA) (commenced 18 April 1998; amended in 2003, 2004, 2006)
- 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

OPSC 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 this purpose.

Table 112 Staffing of the Office of the Professional Standards Councils

Position grade	Number of positions	Male employees	Female employees
Clerk Grade 3-4	1	0	1
Departmental Professional Officers Grade 3-4	5	2	3
Clerk Grade 10-12	1	0	1

# GLOSSARY

<b>ACT</b>	Australian Capital Territory
<b>ARMC</b>	Audit and Risk Management Committee
<b>APESB</b>	Accounting Professional and Ethical Standards Board
<b>APRA</b>	Australian Prudential Regulation Authority
<b>AVI</b>	Australian Valuers Institute (formerly Institute of Consulting Valuers)
<b>CIRCEA</b>	College of Investigative and Remedial Consulting Engineers of Australia
<b>COE</b>	Continuing Occupational Education
<b>CPA AUSTRALIA</b>	Certified Practising Accountants Australia
<b>CPD</b>	Continuing Professional Development
<b>EA</b>	The Institution of Engineers Australia
<b>ICAA</b>	Institute of Chartered Accountants in Australia
<b>IFAC</b>	International Federation of Accountants
<b>IRMP</b>	Internal Risk Management Plan
<b>LSNSW</b>	The Law Society of New South Wales
<b>NIA</b>	National Institute of Accountants
<b>NSW</b>	New South Wales
<b>NSW Bar</b>	New South Wales Bar Association
<b>NT</b>	Northern Territory
<b>OPSC</b>	The Office of the Professional Standards Councils – the operational headquarters of the Professional Standards Councils, located in the Parramatta Justice Precinct, NSW
<b>PSOA</b>	Professional Surveyors' Occupational Association
<b>Professional Association</b>	The terms professional association and occupation association are used interchangeably in this document
<b>Qld</b>	Queensland
<b>RMP</b>	Risk Management Plan
<b>SA</b>	South Australia
<b>Schemes</b>	<i>Cover of Excellence</i> <sup>®</sup> Schemes approved and gazetted under professional standards legislation
<b>SCAG</b>	Standing Committee of Attorneys General
<b>Secretariat</b>	The staff of the Office of the Professional Standards Councils, within the NSW Attorney General's Department
<b>Tas</b>	Tasmania
<b>The Councils</b>	The Professional Standards Councils of the Australian Capital Territory, New South Wales, the Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia
<b>Vic</b>	Victoria
<b>VIC Bar</b>	The Victorian Bar Incorporated
<b>WA</b>	Western Australia



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Photographs by Alastair Bett.

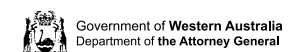
ISSN 1326-1770 (print version), 1834-1861 (CD Rom version), 1836-7119 (online version)

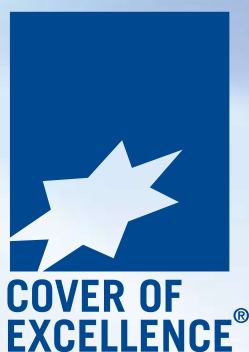
Published in September 2009 by the Office of the Professional Standards Councils of the Australian Capital Territory, New South Wales, the Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia.

Locked Bag 5111, Parramatta NSW 2124

Phone: (02) 8688 8060 Fax: (02) 8688 9675 Email: [psc\\_excellence@agd.nsw.gov.au](mailto:psc_excellence@agd.nsw.gov.au).

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