

Professional Standards Council of Western Australia

ANNUAL REPORT 2007-2008



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LETTER TO THE MINISTER

The Hon C Porter BA (Hons), BEc, LLB
Attorney General

Dear Minister,

We are pleased to present the Professional Standards Council's Annual Report for the period ending 30 June 2008. The report is produced pursuant to section 17(2) of the *Professional Standards Act 1997* (WA) and in accordance with the *Financial Management Act 2006* (WA) and the Financial Management Regulations 2007.



Brian Rayment QC
Chairman
Professional Standards Council

THE EVOLUTION OF THE PROFESSIONAL STANDARDS COUNCILS

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

THE PROFESSIONAL STANDARDS COUNCIL'S MAJOR ACHIEVEMENTS 2007-2008

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

THE PROFESSIONAL STANDARDS COUNCIL'S VISION, MISSION, OBJECTIVES AND STRATEGIES

OUR VISION:

PROFESSIONAL EXCELLENCE — CONSUMER PROTECTION

OUR MISSION:

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

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

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

The objectives and strategies for achieving this mission are:

1. The adoption and implementation of professional standards legislation in all jurisdictions by:

- supporting the adoption of uniform national professional standards legislation, and
- establishing guidelines and policies for the Professional Standards Councils in each jurisdiction.

2. Encouraging occupational associations to adopt best practice professional standards by:

- developing best practice guidelines on risk management strategies and professional standards for occupational associations through research and consultation, and
- establishing rigorous practical guidance for occupational associations to apply for and administer *Cover of Excellence*® Schemes.

3. Ensuring the integrity of professional standards Schemes by:

- developing policies and procedures to ensure rigorous assessment and evaluation

of applications for *Cover of Excellence*® Schemes and annual reporting requirements, and

- developing policies and procedures to ensure meaningful annual risk management reporting by participating occupational associations.

4. Building community awareness and demand for Schemes by:

- developing and promoting the use of the Council's trademark by professionals and others enjoying the benefit of a *Cover of Excellence*® Scheme, and
- improving consumer awareness among professionals and others who want to enjoy the benefit of a *Cover of Excellence*® Scheme.

5. Contributing to law reform to improve professional standards and consumer protection by:

- participating in groups responsible for the national implementation of professional standards legislation to identify and recommend necessary legislative amendments.



History and profile of the Professional Standards Councils

The Professional Standards Council of Western Australia is an independent statutory body established and administered under section 8 of the *Professional Standards Act 1997* (WA). It was created to help professional and other occupational associations to improve the regulation of their members so that consumers of their services are better protected. The Professional Standards Council of Western Australia approves and monitors *Cover of Excellence*[®] Schemes that aim to improve professional standards, protect consumers, and limit the civil liability of professional and other occupational groups in certain circumstances.

The Professional Standards Council of Western Australia was established in 1997. There were no members of the Western Australian Council between 3 July 2004 and 26 June 2005. Members were appointed to the Council in 2006, and Council positions have been filled henceforth.

Similar Professional Standards Councils were created in other Australian jurisdictions. The Professional Standards Council of New South Wales was established in 1995 under section 39 of the *Professional Standards Act 1994* (NSW). In 2005, the Professional Standards Council of Victoria was established, while the Tasmanian, the Northern Territory and South Australian Councils were formed in 2006, and the Professional Standards Council of Queensland was formed in 2007. The Professional Standards Council of the Australian Capital Territory was formed this financial year under Schedule 4, section 4.36 of the *Civil Law (Wrongs) Act 2002* (ACT).

The *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) permits the

Commonwealth to prescribe *Cover of Excellence*[®] Schemes so as to limit the liabilities of occupational associations pursuant to the *Trade Practices Act 1974* (Cth), the *Corporations Act 2001* (Cth), and the *Australian Securities and Investments Commission Act 2001* (Cth). Prescription under the three legislative instruments is not mutually exclusive.

The NSW Bar (NSW) *Cover of Excellence*[®] Scheme was the first Scheme to be prescribed under the *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) in May 2006. The Institution of Engineers Australia (EA) *Cover of Excellence*[®] Scheme was prescribed in April 2007, followed by the ICAA New South Wales, and the CPA Australia New South Wales *Cover of Excellence*[®] Schemes, effective from 25 October 2007. Since then, a further 16 Schemes have been prescribed during the 2007–08 financial year.

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

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

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

Cover of Excellence® Schemes

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

Approving Cover of Excellence® Schemes

Before approving a Scheme, the Professional Standards Council of Western Australia must consider:

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

Determining limits of liability

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

Monitoring associations’ risk management strategies

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

Improving professional standards

The Professional Standards Council of Western Australia works together with associations to develop self-regulation mechanisms (meta-regulations) in order to improve their professional standards. The Council conducts research, develops policies and guidelines, and organises 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 standards of services received by consumers.

Protecting consumers

The goals of the Professional Standards Council of Western Australia 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 a limited liability cap, as well as by expanding the number of *Cover of Excellence®* Schemes in operation. Once a particular *Cover of Excellence®* Scheme of an occupational association is approved, the Council allows members of the association to use the *Cover of Excellence®* logo as a mark of the quality standards and practices that consumers can expect to receive.

CHAIRMAN'S REPORT



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

Dear Mr Attorney,

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

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

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

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

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

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

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

Yours faithfully,

Brian Rayment QC

SECRETARIAT REPORT

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

Structure and staffing within the Secretariat

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

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

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

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

Co-operation with the Professional Standards Legislation Working Group

The Secretariat continues to support the work of the Professional Standards Legislation Working Group (PSLWG). The PSLWG consists of a group of officers from each State and Territory responsible for the implementation of the equivalent professional standards legislation in each jurisdiction. Co-operation with the PSLWG has allowed for progress in the negotiating and drafting of the Inter-departmental service agreements between the NSW Attorney General's Department,

the Councils and the justice departments in each jurisdiction. This co-operation has also allowed amendments to professional standards legislation across all Australian States and Territories in order to ensure that:

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

Policy development

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

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

The Secretariat commenced the implementation of the Marketing Strategy and the Website Strategy, which were endorsed by the Professional Standards Council of Western Australia in 2006–07. The new website was launched in May 2008 at www.professionalstandardscouncil.gov.au.



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

Plans for 2008–09

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

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

Philippa Seagrave
Acting Executive Officer

ORGANISATIONAL STRUCTURE

Appointments to the Council

The Attorneys General of each State and Territory appoint members to the Professional Standards Council of Western Australia who have skills, qualifications, experience and ability to contribute to the work of the Council. 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 of the Professional Standards Councils. The Professional Standards Agreement 2005 allows each State and Territory (other than New South Wales and Victoria), and the Commonwealth, to nominate one member. New South Wales and Victoria are entitled to nominate two members each to the Councils. The Professional Standards Agreement also entitles New South Wales and Victoria to nominate the Chairman and Deputy Chairman on an alternating basis.

Terms of office and remuneration

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

All State and Territory Council members whose term of office expired on 30 June 2008 have accepted nominations for a further term, and it is expected that the accumulated expertise will enable the

Professional Standards Council of Western Australia to further fulfil the professional standards legislative mandate.

An allowance/sitting fee for Council members is paid for attendance at Council, Working Party and Committee meetings.

The remuneration of Council members comprises the following:

Table 1: Remuneration of Council members

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

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

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

Constitution of Council

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

Major legislative changes

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

Meetings of the Professional Standards Council of Western Australia

The Council met seven times during the 2007–08 financial year. The table below shows Council members' attendance during the period.

Table 2: Meetings of the Professional Standards Council of Western Australia

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

Procedures

Procedures for meetings of the Professional Standards Council of Western Australia are governed by the provisions set out in Schedule 2 of the *Professional Standards Act 1997* (WA). Policies developed since the Council was established provide additional guidance for the operation of meetings.

A *Members' Handbook* has been developed to further assist Council members. It contains information about the procedures and policies of the Council, copies of current *Cover of Excellence*® Schemes, a comparative table of professional standards legislation, and the terms and conditions of members' appointments. The *Members' Handbook* is currently being updated. When completed, it will refer to relevant legislation and policies and procedures across the eight jurisdictions.



Brian Rayment



Esther Alter



Robert Beaton



Steven Cole

Membership

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

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

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

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

Robert Beaton LLB, BArch (Hons), BSC (Arch), RAIA, 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 (AICD), the Chamber of Commerce & Industry (WA) and not-for-profit community-based organisations.



Terry Evans



Ronald Farrell



Justin Harper



Joanne Metcalfe

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 for Municipal Association of Victoria Insurance Committee of Management, and Australian Securities & Investments Commission (ASIC) 'Responsible Officer' for MAV Financial Services License. He has been a member of the Metropolitan Fire and Emergency Services Board and its Audit and Remuneration Committees (1994–2003). His 38-year insurance career culminated as General Manager of the Australian Eagle Insurance Group (General Division) until 1992, including directorship of subsidiary companies. During that time he was also involved in various industry committees. He was involved in the ground up establishment of a rural industry Occupational Superannuation Fund.

Justin Harper BA, LLB (nominated by Queensland)

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

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

Joanne Metcalfe is the Canberra Business Group Manager for Buildings and Property of GHD Pty Ltd. She co-ordinates the architectural services of this professional services company. 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 Peck von Hartel 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.

Membership *continued*



Madeleine Ogilvie



Iain Summers



Warwick Wilkinson

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

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

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

Iain Summers provides governance and management advice and assistance to community services, public sector entities, and small- to medium-sized commercial enterprises. He was a partner of the chartered accountancy firm Pannell Kerr Forster in Darwin from 1982 to 1992, and the General Manager of Corporate Services for the Northern Territory Tourist Commission from 1993–94. From 1995 to 2002 he was the Northern Territory Auditor-General. He is a company director of commercial and community sector entities and a member of audit committees for private and public sector entities.

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

Warwick Wilkinson is an Officer of the Order of Australia. He has been an Associate Commissioner of the Australian Competition and Consumer Commission (ACCC) 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.

THE OPERATIONS OF THE PROFESSIONAL STANDARDS COUNCIL OF WESTERN AUSTRALIA

RESEARCH AND DEVELOPMENT

Annual reporting guidelines

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

Review of the Policy Statement on Professional Indemnity Insurance

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

Star Initiative Grants Program: Providing associations with assistance

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

Star Initiative grants were not offered in 2007–08. The Council is considering a re-evaluation of the objectives of the Star Initiative Grants Program in order to ensure that approved grants assist the achievement of such objectives of the program.

EXCHANGING KNOWLEDGE

The Professional Standards Councils' website (www.professionalstandardscouncil.gov.au)

Information about the Professional Standards Council of Western Australia and the Professional Standards Councils in other jurisdictions is disseminated through a central website, which publishes all current *Cover of Excellence*® Schemes and information about the Councils' policies, as well as links to current and historical copies of publications including annual reports and consultative papers.

The new Website Strategy, which was developed in 2006–07, has been successfully implemented during the 2007–08 financial year. The website was redesigned in order to reflect the close co-operation



between each of the State and Territory Professional Standards Councils, as well as to increase the accessibility of information to stakeholders, especially consumers, in all jurisdictions.

Meeting with stakeholders

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

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

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

CORPORATE GOVERNANCE

The Professional Standards Council of Western Australia is committed to implementing sound principles of corporate governance. These are outlined in the Council's *Corporate Governance Principles: A Guide for Occupational Associations* (April 2005).

Risk Management Program

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

FINANCIAL PERFORMANCE OF THE COUNCIL

All Professional Standards Councils operate with the assistance of Secretariat support provided by the NSW Attorney General's Department. The financial performance report of the Professional Standards Council of Western Australia can be found in the Financial Reports section of this annual report.

AUDIT COMMITTEE MEMBERSHIP AND ROLE

The Professional Standards Council of Western Australia can establish committees to assist it in its work. During the 2007-08 financial year, the Audit and Risk Management Committee (ARMC), which was established during 2006-07 pursuant to section 14 of the *Professional Standards Act 1997* (WA), continued to meet in order to discuss the operations and risk management issues facing the Professional Standards Council of Western Australia.

The objectives of the ARMC are to:

- assist the Council to manage its natural risks and develop risk management strategies
- inform the Council about the departmental audit requirements, and
- advise the Council on the financial position, budget management and internal controls and business plans.

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

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

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

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

The ARMC met four times during the 2007-08 financial year. The table below shows ARMC members' attendance during the reporting period.

Table 3: ARMC Meetings

Members	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	4	3
Steven Cole	4	4
Ronald Farrell	4	4
Iain Summers	4	4

MEASURABLE ACHIEVEMENTS

CO-OPERATION AMONG PROFESSIONAL STANDARDS COUNCILS

Inter-governmental agreement

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

Inter-departmental service agreement

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

Legislative change

The Professional Standards Council of Western Australia is responsible for giving advice to the Attorney General on the operation of professional standards legislation. The Council has taken an active role in this regard during the period. Some key areas that the Council has considered are: costs-inclusive insurance policies, mutual recognition of inter-state Schemes and the consistency of Schemes across jurisdictions.

Costs-inclusive insurance amendment

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

An amendment was requested to clarify the fact that both costs-inclusive and costs-in-addition insurance policies could be used for the purposes of limiting liability under professional standards legislation. The SCAG gave in-principle support to the amendment in April 2006. Amendments to the legislation were adopted in Victoria on 11 October 2006, in New South Wales on 27 October 2006, in Tasmania on 18 December 2006, in South Australia on 18 January 2007, in the Northern Territory on 4 April 2007, in Queensland on 29 August 2007 and in the Australian Capital Territory on 6 May 2008.

Mutual recognition of Schemes

The Professional Standards Council of Western Australia has also identified the need to amend professional standards legislation to allow mutual recognition of *Cover of Excellence*® Schemes



across State and Territory jurisdictions. Such an amendment would enable professional standards legislation to work more efficiently in all jurisdictions. The implementation of mutual recognition benefits professionals, associations and the Council due to decreased compliance and other costs, and consumers would benefit from greater clarity and certainty. Amendments commenced in New South Wales on 15 June 2007, in the Northern Territory on 1 April 2008 and in the Australian Capital Territory on 18 May 2008. Similar amendments are expected to be made in other jurisdictions in the coming financial year.

Regulations

The Professional Standards Council of Western Australia also 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 Council's proposals commenced in South Australia on 1 October 2006, New South Wales on 8 December 2006, and Western Australia on 29 December 2006. Similar regulations also commenced in Queensland on 9 February 2007, Victoria on 7 November 2007, the Northern Territory on 1 January 2008, and the Australian Capital Territory on 1 July 2008.

Commonwealth co-operation

The Secretariat has had regular correspondence and conferences with Commonwealth Treasury representatives. A Commonwealth Treasury representative has also been present at Council

meetings during 2007–08. The Chairman and Executive Officer briefed the new Commonwealth Assistant Treasurer and Minister for Competition Policy and Consumer Affairs, the Honourable Chris Bowen, MP on the multi-jurisdictional arrangements of professional standards legislation to protect consumers and facilitate improvements in professional standards. This ongoing co-operation has paved the way for a number of Schemes to be prescribed for the five year life of each Scheme, including:

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

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

- ICAA Schemes in the 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, and
- The Victorian Bar Incorporated Scheme.

COVER OF EXCELLENCE[®] SCHEMES

CURRENT COVER OF EXCELLENCE[®] SCHEMES IN WESTERN AUSTRALIA

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

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

Table 4: *Cover of Excellence*[®] Schemes in Western Australia

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

The Professional Standards Council of Western Australia has approved Schemes under the *Professional Standards Act 1997 (WA)*, section 20(3). All associations with Schemes under the *Professional Standards Act 1997 (WA)* are required to submit an Annual Risk Management Report to give account of the implementation and monitoring of their risk management strategies, claims and insurance data, members' compliance with the use of *Cover of Excellence*[®] logo, and disclosure of limited liability.

SUMMARY OF COVER OF EXCELLENCE® SCHEMES

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

Table 5: *Cover of Excellence*® Schemes by jurisdiction

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

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

Table 6: *Cover of Excellence*® Scheme participation by jurisdiction

Scheme	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
AVI		33						
CIRCEA		25						
CPA Australia	77	1,332	24	997	237		1,930	725
EA		0						
ICAA	390	7,461	74	2,485	1,116		4,416	1,708
LSNSW		7,962						
NIA		975						
NSW Bar		1,968						
PSOA		18						

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

Table 7: *Cover of Excellence*[®] Scheme participation by occupational/professional association and year

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

SCHEMES IN FOCUS

2008

Occupational associations covered by *Cover of Excellence*® Schemes are required to report annually to their State-based Professional Standards Council on the implementation of risk management strategies within their association and the effect of the strategies in mitigating risks, improving standards and enhancing consumer protection. The reporting period for *Cover of Excellence*® Schemes is 1 January to 31 December (calendar year) with the report required to be submitted to the Professional Standards Council of Western Australia by 31 March the following year. As the CPA Australia *Cover of Excellence*® Scheme and the ICAA *Cover of Excellence*® Scheme commenced part way through the calendar year, the participating associations have not yet been required to provide an Annual Risk Management report for the Schemes specific to Western Australia, and hence this information could not be included in this report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

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

Examining the strategies and risks of professional associations allows the Professional Standards Councils to further consider whether a limited liability cap requires variation due to changes in risks faced or undertaken by a professional association. The obligation to report is fundamental to the ‘monitoring’ aspect of the Council’s responsibilities as set out in the *Professional Standards Act 1997* (WA).

Currently the Professional Standards Council of Western Australia is developing Guidelines for Annual Risk Management Reporting (the Guidelines) for participating 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 occupational association is required to submit as part of the application process for a *Cover of Excellence*® Scheme. This will assist the Professional Standards Council of Western Australia and the participating associations to measure performance in an objective and meaningful manner, as well as in adhering to best practice risk management.

ANNUAL RISK MANAGEMENT REPORT

As indicated above, the *Professional Standards Act 1997 (WA)* requires participating occupational associations to provide an annual Risk Management Report to the Council about the implementation and monitoring of their risk management strategies, the effect of those strategies, and any changes made, or proposed to be made to them, as stated in section 49. The annual reporting program is designed to help associations manage their occupational risks and protect consumers by fostering an adaptive approach to risk management and improvements in professional standards.

In the past participating associations have been required to report on the following nine key strategic areas:

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

1. Advisory and support services

Associations are expected to provide members with encouragement and support in their professional fields through advisory services covering workplace issues as well as promoting work-life balance. Increasingly, associations have taken proactive steps to provide occupational related support services that are customised and confidential and can be delivered electronically. Support

services include counselling, mentoring, 'lessons learnt' available through newsletters and other communication pathways.

2. Codes of ethics

It is a mandatory requirement for participating associations to have in place a Code of Ethics. Members of occupational associations are required to abide by the code and occupational associations are required to report on compliance (and efforts to ensure compliance) with their respective Code of Ethics. Most associations focus on enhancing existing standards of ethical conduct of members by ensuring compliance with legal obligations and providing regular training opportunities for members in ethics.

3. Complaints and discipline systems

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

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

4. Continuing occupational education

A key component in mitigating risks facing occupational associations is the provision of Continuing Occupational Education (COE),

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

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

5. Membership entry requirements

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

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

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

Having adequate levels of professional indemnity insurance is also a key component of Schemes under the professional standards legislation.

6. Technical standards and guidance

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

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

7. Quality control programs and quality assurance systems

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

8. Claims and insurance monitoring

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

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

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

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

The Professional Standards Council of Western Australia promotes the proper use of the *Cover of Excellence*[®] logo through the license and Style Guide. Use of the trademark is not mandatory. Occupational associations must monitor compliance with the trademark requirements and report non-compliance to the Professional Standards Council of Western Australia. The Council may choose to prosecute any non-compliance with trademark requirements.

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

Refer to the 2007-08 Annual Report of the Professional Standards Council of New South Wales for an analysis of *Cover of Excellence*[®] Schemes in other jurisdictions.

PERFORMANCE INDICATORS

The Professional Standards Council of Western Australia is required to report on performance indicators as outlined in the *Financial Management Act 2006* (WA) and its associated Regulations. The Treasurer and the Minister may change the performance indicators.

Statement of Certification

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Professional Standards Council's performance, and fairly represent the performance of the Professional Standards Council of Western Australia for the financial year ending 30 June 2008.



Brian Rayment QC
Chairman

6 Mar 2009



Steven Cole
Council Member

6 Mar 2009

INDICATORS

It was noted in the 2006–07 Annual Report for the Professional Standards Council of Western Australia that the efficiency indicators for *Cover of Excellence*[®] Schemes would be determined once Schemes were approved. While two *Cover of Excellence*[®] Schemes were approved in the 2007–08 reporting period, the Schemes began part way through the latter stages of the period. Hence, the efficiency of these Schemes cannot be fully assessed at this early operational stage.

Key output/service

Outcome	<i>Cover of Excellence</i> [®] Schemes limiting the civil liability of the members of occupational associations.
Output	<i>Cover of Excellence</i> [®] Schemes limiting the liability of occupational associations together with approved compulsory insurance, risk management strategies and appropriate provisions for complaints and disciplinary matters in relation to those associations for the protection of consumers of the services produced by the associations.
Description	<p><i>Cover of Excellence</i>[®] Schemes are considered and approved by the Professional Standards Council of Western Australia and gazetted by the Minister. A Scheme becomes effective two months after gazettal and thereby limits the civil liability of members of the occupational association. Schemes, once approved, may continue for a period of up to five years. Annual fees on a per member basis are payable by the occupational association to the Council.</p> <p>Consumers are protected by a requirement that persons under a Scheme have insurance or assets to the approved level; that members engage in appropriate risk management strategies; and by an approved complaints and disciplinary process.</p>

Effectiveness

Neither of the two associations with *Cover of Excellence*® Schemes were required to report to the Western Australia Professional Standards Council for the financial year ending 30 June 2008. This is due to reporting cycles being based on a calendar year and the relevant commencement dates for these Schemes did not allow sufficient time for required data collection within the period. Reporting requirements for each of these associations will be included in the Professional Standards Council of Western Australia Annual Report 2008-2009 and will continue to be reported from this point forward on a longitudinal basis. This type of reporting will allow for comparison between previous years as well as providing an element of consistency across reporting procedures.

Cover of Excellence® Schemes aim to increase consumer protection by the improved standards of professionals who belong to occupational associations that are approved to administer such schemes. Members of such occupational associations are required to comply with required codes of ethics, codes of practice, and to engage in risk management and continuing occupational education. Awareness and active response to these issues can lower the incidence of civil liability claims against such professionals and thereby achieve the objectives associated with the *Cover of Excellence*® Schemes.

As a further measure of consumer protection, in accordance with *Cover of Excellence*® Schemes, such professionals are also required to hold significant business assets and/or professional indemnity insurance.

The following information will be sought from associations in order to establish that the objectives of *Cover of Excellence*® Schemes are being achieved:

- The impact of *Cover of Excellence*® Schemes based on the number of civil liability cases / claims brought against members of occupational associations, and
- The effectiveness of Schemes on the occupational associations' perceptions of cost and availability of insurance for members of occupational associations with Schemes. This will include:
 1. Cost of Insurance (decreasing premium or increasing at a slower than market rate) and/or
 2. Better value insurance for same premium prices
 3. Available insurance

Efficiency

As indicated in the Income Statement for the year ended 30 June 2008, the total cost of the Western Australia Professional Standards Council for the financial year ending 30 June 2008 was \$174,996.

Costs for the Western Australia Professional Standards Council are expected to increase in the future due to a greater awareness of *Cover of Excellence*® Schemes and the possibility of receiving applications for new Schemes in 2008-2009. Accordingly, administration costs are likely to increase as the two associations with Schemes commence reporting and processing of any new Scheme applications may be necessary.



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

PROFESSIONAL STANDARDS COUNCIL FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Professional Standards Council.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Council's Responsibility for the Financial Statements and Key Performance Indicators

The Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Professional Standards Council
Financial Statements and Key Performance Indicators for the year ended 30 June 2008

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Professional Standards Council at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Council provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Council are relevant and appropriate to help users assess the Council's performance and fairly represent the indicated performance for the year ended 30 June 2008.



COLIN MURPHY
AUDITOR GENERAL
10 July 2009

FINANCIAL STATEMENTS AND NOTES

FINANCIAL REPORT OF THE PROFESSIONAL STANDARDS COUNCIL OF WESTERN AUSTRALIA

Certification of Financial Statements

The accompanying financial statements of the Professional Standards Council of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* (WA) from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

At the date of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



Brian Rayment QC
Chairman
19 June 2009



Steven Cole
Council Member

19 June 2009



Peter Richards
Principal Accounting Officer
19 June 2009

INCOME STATEMENT For the year ended 30 June 2008 ^{1, 2, 3}

	Note	2008 \$	2007 \$
COST OF SERVICES			
Expenses			
Services and contracts	4	162,348	11,830
Other expenses	5	12,648	70
Total cost of services		<u>174,996</u>	<u>11,900</u>
Income			
<i>Revenue</i>			
User charges and fees	6	86,708	-
Total income other than income from State Government		<u>86,708</u>	<u>-</u>
NET COST OF SERVICES		<u>88,288</u>	<u>11,900</u>
INCOME FROM STATE GOVERNMENT			
Resources received free of charge	7	11,860	11,830
Total income from State Government		<u>11,860</u>	<u>11,830</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>(76,428)</u>	<u>(70)</u>

The Income Statement should be read in conjunction with the accompanying notes.

BALANCE SHEET As at 30 June 2008

	Note	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	10	324,032	189,538
Total Current Assets		<u>324,032</u>	<u>189,538</u>
TOTAL ASSETS		<u>324,032</u>	<u>189,538</u>
LIABILITIES			
Current Liabilities			
Payables	8	160,980	-
Unearned revenue		49,942	-
Total Current Liabilities		<u>210,922</u>	<u>-</u>
TOTAL LIABILITIES		<u>210,922</u>	<u>-</u>
NET ASSETS		<u>113,110</u>	<u>189,538</u>
EQUITY			
Accumulated surplus/(deficit)	9	113,110	189,538
TOTAL EQUITY		<u>113,110</u>	<u>189,538</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY For the year ended 30 June 2008

	Note	2008 \$	2007 \$
BALANCE OF EQUITY AT START OF PERIOD		189,538	189,608
ACCUMULATED SURPLUS	9		
Balance at start of period		189,538	189,608
Surplus/(deficit) for the period		(76,428)	(70)
Balance at end of period		113,110	189,538
BALANCE OF EQUITY AT END OF PERIOD		113,110	189,538
Total income and expense for the period		(76,428)	(70)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT For the year ended 30 June 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Payments to members and suppliers		(2,156)	(70)
Receipts			
Other receipts		136,650	-
Net cash provided by/(used in) operating activities		134,494	(70)
Net increase/(decrease) in cash and cash equivalents		134,494	(70)
Cash and cash equivalents at start of period		189,538	189,608
CASH AND CASH EQUIVALENTS AT END OF PERIOD	10	324,032	189,538

The Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008

1 Australian Equivalents to International Financial Reporting Standards

General

The financial statements for the Professional Standards Council (the "Council" for the purpose of these notes) for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Council has adopted, where relevant to its operations, new and revised standards and interpretations from their operative dates as issued by the Australian Accounting Standards Board (AASB) and formerly the Urgent Issues Group (UIG).

The Australian Accounting Interpretations are adopted through AASB 1048 'Interpretation and Application of Standards' and are classified into those corresponding to International Accounting Standards Board (IASB) Interpretations and those only applicable in Australia.

The AASB has decided to maintain the Statements of Accounting Concepts (SAC 1 and SAC 2) and has continued to revise and maintain accounting standards and the interpretations that are of particular relevance to the Australian environment, especially those that deal more specifically with not-for-profit entity issues and/or do not have an equivalent IASB Standard or Interpretation.

Early Adoption of Standards

The Council cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No standards and interpretations that have been issued or amended but are not yet effective have been early adopted by the Council for the financial year ended 30 June 2008.

2 Summary of Significant Accounting Policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions (TI's). Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Modifications or clarifications to accounting standards through the TI's are to provide certainty and ensure consistency and appropriate reporting across the public sector.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

(c) Reporting Entity

The reporting entity comprises the Council and no other related bodies

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

(d) Unearned revenue

Unearned revenue represents the portion of schemes received or receivable not earned and relate to periods of the scheme subsequent to balance date.

(e) Income

Revenue recognition

Revenue is recognised in the income statement when it has been earned and is calculated from the commencement date over the period of the scheme. The pattern of recognition over the policy period is based on time.

(f) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents include restricted cash and cash equivalents.

(g) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Council will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

An allowance for impairment of receivables can only be raised if there is objective evidence of impairment.

(h) Payables

Payables are recognised at the amounts payable when the Council becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

(i) Resources Received Free of Charge

Resources received free of charge that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value.

(j) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3 Disclosure of Changes in Accounting Policy and Estimates**Initial application of an Australian Accounting Standard**

The Council has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Council:

AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Council's exposure to risks, including enhanced disclosure regarding components of the Council's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

Future Impact of Australian Accounting Standards not yet operative

The Council cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Council has not applied Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Council but are not yet effective. Where applicable, the Council plans to apply the following Standards and Interpretations from their application date.

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (operative for reporting periods beginning on/after 1 July 2008).

The existing requirements in AAS27, AAS 29 and AAS 31 have been transferred to the above new and existing topic-based Standards and Interpretation. These requirements remain substantively unchanged. The new and revised Standards make some modifications to disclosures, otherwise there will be no financial impact.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

4 Services and contracts	2008 \$	2007 \$
Annual Fees	74,000	-
Repayment of set-up costs to Victorian Professional Standards Council	21,622	-
Secretarial Services	52,184	-
External services provided	2,682	-
Resources received free of charge (note 7)*	11,860	11,830
	<u>162,348</u>	<u>11,830</u>

*Department of the Attorney General - administrative services

5 Other Expenses	2008 \$	2007 \$
Bank charges and credit card fees	50	70
Printing, binding and copy charges	2,106	-
Travel and Accommodation - External Parties	10,492	-
	<u>12,648</u>	<u>70</u>

6 User charges and fees	2008 \$	2007 \$
Scheme Fees	86,708	-
	<u>86,708</u>	<u>-</u>

7 Income from State Government	2008 \$	2007 \$
Resources received free of charge ^(a) Determined on the basis of the following estimates provided by agencies:		
Department of the Attorney General - administrative services	11,860	11,830
	<u>11,860</u>	<u>11,830</u>

(a) Where assets or services have been received free of charge or for nominal cost, the Council recognises revenue (except where the contributions of assets or services are in the nature of contributions by owners in which case the Council shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

8	Payables	2008 \$	2007 \$
	<i>Current</i>		
	Accrued Expenses	21,622	-
	Secretarial Services	89,346	-
	Annual Fees	50,012	-
		160,980	-
		2008 \$	2007 \$
9	Equity		
	Equity represents the residual interest in the net assets of the Council. The Government holds the equity interest in the Council on behalf of the community.		
	Accumulated surplus		
	Balance at start of period	189,538	189,608
	Result for the period	(76,428)	(70)
	Income and expense recognised directly to equity	-	-
	Balance at end of period	113,110	189,538
10	Notes to the Cash Flow Statement	2008 \$	2007 \$
	<i>Reconciliation of cash</i>		
	Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
	Cash and cash equivalents	324,032	189,538
		324,032	189,538
	<i>Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</i>		
	Net cost of services	(88,288)	(11,900)
	Resources received free of charge	11,860	11,830
	Increase/(decrease) in liabilities:	160,980	-
	Other current liabilities	49,942	-
	Net cash provided by/(used in) operating activities	134,494	(70)
11	Contingent liabilities and contingent assets		
	Contingent liabilities		
	There were no contingent liabilities as at 30 June 2008. Contingent liabilities as at 30 June 2007 totalling \$92,941 have now been settled.		
	Contingent assets		
	There are no known contingent assets.		

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

12 Explanatory Statements

Significant variations between estimate and actual results for income and expenses are shown below. Significant variations are considered to be those greater than \$3,500.

Significant variances between actual results for 2008 and 2007

	2008 \$	2007 \$	Variance \$
Income			
User charges and fees	86,708	-	86,708
Expenses			
Other expenses	12,648	70	12,578
Services and contracts	162,348	11,830	150,518

In 2007/08 several schemes were approved for Western Australia for the first time, as a result of which income was received from occupational groups and relevant expenditure incurred by the Council. (Expenditure includes \$21,622 repayment of setup costs to Victorian Professional Standards Council).

13 Financial Instruments**(a) Financial Risk Management Objectives and Policies**

Financial instruments held by the Council are cash and cash equivalents, restricted cash and cash equivalents, loans and receivables, and payables. The Committee has limited exposure to financial risks. The Council's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Council's receivables defaulting on their contractual obligations resulting in financial loss to the Council. The Council measures credit risk on a fair value basis and monitors risk on a regular basis. Credit risk associated with the Council's financial assets is minimal because the Council has no receivables other than statutory receivables for Goods and Services Tax recoverable from the Australian Taxation Office. For receivables other than government, the Council trades only with recognised, creditworthy third parties. The Council has policies in place to ensure that the rendering of services is made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Council's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Council is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Council is unable to meet its financial obligations as they fall due. The Council has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

The Council does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes). The Council has no exposure to market risk for changes in interest rates as it does not currently have long-term debt obligations or borrowings. The Council is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and restricted cash are non-interest bearing and the Council has no borrowings.

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008 \$	2007 \$
Financial Assets		
Cash and cash equivalents	324,032	189,538
	324,032	189,538
Financial Liabilities		
Financial liabilities measured at amortised cost	160,980	-
	160,980	-

The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivables).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

(c) Financial Instruments Disclosure

Liquidity risk and interest rate risk exposure

The following table details the exposure to liquidity risk and interest rate risk as at the balance sheet date. The table is based on information provided to senior management of the Council.

The Council does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Council does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

14	Remuneration of Members of the Council	2008	2007
	<i>Remuneration</i>	\$	\$
	The number of members of the Council, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands, are:		
	\$		
	0 - 10,000	10	10
	Total remuneration of members of the Council:	\$0	\$0

The current members and their terms of office are as follows:

Members and Status	Nominated by	Date appointed	Date of expiry
Brian Rayment QC, Chairman	NSW	3-Jan-06	31-Dec-08
Robert Beaton	NSW	3-Jan-06	30-Jun-08
Esther Alter	VIC	28-Jun-06	30-Jun-08
Ronald Farrell	VIC	10-Oct-06	31-Dec-08
Steven Cole	WA	3-Jan-06	31-Dec-08
Joanne Metcalfe	ACT	30-Jan-06	30-Jun-08
Iain Summers	NT	3-Jan-06	31-Dec-08
Madeleine Ogilvie	TAS	28-Jun-06	31-Dec-08
Terry Evans	SA	10-Oct-06	31-Dec-08
Warwick Wilkinson	CTH	28-Jun-06	30-Jun-08
Steven Cole, Deputy Chairman		10-Oct-06	30-Jun-08

15	Remuneration of Auditor	2008	2007
		\$	\$
	Remuneration payable to the Auditor General for the financial year is as follows:		
	Auditing the accounts, financial statements and performance indicators	\$7,900	\$3,300

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2008 (continued)

	Weighted average interest rate	Variable Interest Rate	Non- Interest Bearing	Within 1 year	1-2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years	Adjustment for discounting	Total
2008	%										
Financial assets											
Cash and cash equivalent assets			324,032								324,032
Total financial assets			324,032	-	-	-	-	-	-	-	324,032
Financial liabilities											
<i>Payables</i>			160,980								160,980
Total financial liabilities			160,980	-	-	-	-	-	-	-	160,980

	Weighted average interest rate	Variable Interest Rate	Non- Interest Bearing	Within 1 year	1-2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years	Adjustment for discounting	Total
2007	%										
Financial assets											
Cash and cash equivalent assets			189,538								189,538
Total financial assets			189,538	-	-	-	-	-	-	-	189,538
Financial liabilities											
<i>Payables</i>			-								-
Total financial liabilities			-	-	-	-	-	-	-	-	-

The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities

16 Supplementary financial information

(i) Write-Offs

The accountable authority	-	-
The Minister	-	-
Executive Council	-	-
	-	-

(ii) Losses Through Theft, Defaults and Other Causes

Losses of public money and, public and other property through theft or default	-	-
Amounts recovered	-	-
	-	-

(iii) Gifts of Public Property

Gifts of public property provided by the Department	-	-
	-	-

APPENDIX

Cost of Annual Report

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

Nine copies of the report were produced. The estimated total cost of production is \$1,500.

Overseas travel

Nil.

Professional standards legislation

- Australian Capital Territory — *Civil Law (Wrongs) Act 2002* as amended by the *Civil Wrongs (Proportionate Liability and Professional Standards Act) 2004* (commenced 9 March 2005)
- Commonwealth — *Treasury Legislation Amendment (Professional Standards) Act 2004* (commenced 13 July 2004)
- New South Wales — *Professional Standards Act 1994* (commenced 1 May 1995; amended in 1998, 2000, 2004, 2006, 2007)
- Northern Territory — *Professional Standards Act 2004* (commenced 1 January 2006; amended in 2007)
- Queensland — *Professional Standards Act 2004* (commenced 1 July 2005)
- South Australia — *Professional Standards Act 2004* (commenced 1 October 2006)
- Tasmania — *Professional Standards Act 2005* (commenced 1 August 2005)
- Victoria — *Professional Standards Act 2003* (commenced 8 June 2004, amended in 2007)
- Western Australia — *Professional Standards Act 1997* (commenced 18 April 1998; amended in 2003, 2004, 2006)

Staffing

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

Table 8: Staffing

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

GLOSSARY

ARMC

Audit and Risk Management Committee

APRA

Australian Prudential Regulation Authority

AVI

Australian Valuers Institute (formerly
Institute of Consulting Valuers)

CIRCEA

College of Investigative and Remedial
Consulting Engineers of Australia

COE

Continuing Occupational Education

CPA Australia

Certified Practising Accountants Australia

CPD

Continuing Professional Development

EA

The Institution of Engineers Australia

ICAA

Institute of Chartered Accountants in
Australia

IRMP

Internal Risk Management Plan

LSNSW

The Law Society of New South Wales

NIA

National Institute of Accountants

NSW Bar

New South Wales Bar Association

PSOA

Professional Surveyors Occupational
Association

Professional Association

The terms professional association
and occupational association are used
interchangeably in this document

RMP

Risk Management Plan

Schemes

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

SCAG

Standing Committee of Attorneys General

Secretariat

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

The Councils

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

VIC Bar

The Victorian Bar Incorporated

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DIRECTORY

CHAIRMAN

Brian Rayment QC

DEPUTY CHAIRMAN

Steven Cole

SECRETARIAT

Philippa Seagrave (Acting Executive Officer)

Rob Lawson (Policy Officer)

Mary McCrudden (Policy Officer)

Hau Wong (Assistant Analyst)

Mary Abi-Younes (Administrative Officer)

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