

## Annual Report

### Year ended 30 June 2022

This is the Annual Report of the Code Monitoring Committee [**“CMC”**]<sup>1</sup> of the Australian Collectors & Debt Buyers Association Limited [**“ACDBA”**] for the year ended 30 June 2022 [**“Reporting Period”**] pursuant to the Code Monitoring Committee Charter [**“Charter”**] of the 2<sup>nd</sup> Edition ACDBA Code of Practice [**“Code”**].

ACDBA which was established in May 2009 for the benefit of companies collecting and buying debt, represents the majority of collection and debt buying activities in Australia. Membership of ACDBA is voluntary and open to all interested collectors and debt buyers.

ACDBA's work in promoting good governance with ethical and compliant debt collection and, in improving the legislative and regulatory collections environment, provides appreciable benefits to members, creditors, consumers and other stakeholders.

In March 2016, ACDBA launched its Code and Charter binding on all members of ACDBA [**“Subscribers”**]. Commitment to the Code is a condition of ACDBA membership and an important step in evidencing the promotion of an ethical and responsible approach by Subscribers.

The CMC was established under the Code and operates in accordance with the terms of the Charter to monitor and report on compliance with the Code and to investigate alleged breaches by Subscribers under the Code.

The CMC comprises an Independent Chair, a member to represent the interests of consumers and a member to represent the interests of Subscribers to the Code. The CMC has appointed ACDBA's CEO as Compliance Manager to undertake compliance functions and perform administrative tasks for the committee.

The CMC members share extensive knowledge relevant to the business environment including debt collection laws and regulations, ACCC/ASIC debt collection guidelines, IDR and EDR schemes and hardship and complaints provisions. The CMC members need to maintain this knowledge in the face of regular change that affects the Australian collections industry.

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<sup>1</sup> Issued pursuant to Section F.12 of the Code Monitoring Committee Charter [**“Charter”**] of the Australian Collectors & Debt Buyers Association Limited 2<sup>nd</sup> Edition Code of Practice [**“Code”**]

## Activities

1. The members of the CMC during the Reporting Period were:
  - As Independent Chair: Mr Digby Ross;
  - To represent Consumers: Ms Fiona Hawkins; and
  - To represent Subscribers to the Code: Mr Michael Watkins.
2. During the Reporting Period, the CMC met in accordance with the Charter to discharge its responsibilities on 3 September 2021, 3 December 2021, 4 March 2022 and 3 June 2022. All CMC members were in attendance for each meeting during their appointment and did not disclose any conflict of interest.
3. The tasks completed by the CMC during the Reporting Period included:
  - a. Revising the Annual Compliance Statements and reviewing their content when lodged by Subscribers
  - b. Monitoring data submitted by Subscribers pursuant to the annual data survey on consumer contacts and complaints during the Reporting Period
  - c. Maintaining and revising the suite of procedures and documentation for the committee to perform its role
  - d. Conducting and concluding compliance investigations in response to complaints
  - e. Monitoring the nature and number of enquiries about the Code made to the Compliance Manager
  - f. Reviewing updates to laws, legislation and industry practices which might impact Subscribers' obligations and compliance with the Code
  - g. Preparing its Annual Report

## Annual Compliance Statements

Annual Compliance Statements<sup>2</sup> were lodged by all Subscribers as at 30 June 2022, being:

Axess Australia Pty Ltd	Debt Force Pty Ltd
CCC Financial Solutions Pty Ltd	Lyndon Peak Pty Ltd
CFMG Pty Ltd	PF Australia Pty Ltd
Charter Mercantile Pty Ltd	Pioneer Credit Limited
CollectAU Pty Ltd	PRA Australia Pty Ltd
Collection House Limited	Recoveries Corporation Holdings Pty Ltd
Complete Credit Solutions Pty Ltd	Shield Mercantile Pty Ltd
Credit Collection Services Group Pty Ltd	Standard8 Advisory Pty Ltd
Credit Corp Group Limited	Strategic Collections Pty Ltd

The Annual Compliance Statement template, designed and maintained by the CMC is included as Annexure A to this report.

Following review of all the Annual Compliance Statements lodged by Subscribers, all compliance issues that were identified had been fully resolved by the date of publication of this report.

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<sup>2</sup> Copies of lodged Annual Compliance Statements are available for inspection by contacting the Compliance Manager by emailing: [compliance@acdca.com](mailto:compliance@acdca.com)

## Monitoring

The CMC's functions include conducting specific inquiries, on its own motion, into one or more Subscribers' compliance with the Code. During the Reporting Period the CMC conducted a routine enquiry into Subscriber websites to ensure compliance with the Code.

The CMC also monitors specific aspects of the Code that are referred by the ACDBA. During the Reporting Period, there were no referrals from ACDBA to the CMC.

The CMC monitored the aggregated data compiled from the compulsory ACDBA annual data survey of Subscribers for the Reporting Period. This "aggregated de-identified consumer contacts and complaints data" is included as Annexure B to this report.

This survey data is published by ACDBA, as reported by Subscribers. The CMC does not have any role in collecting and compiling the data.

The CMC noted that the survey data showed a low level of complaints in relation to the number of contacts in the reporting period.

## Procedures and documentation

The CMC has a comprehensive suite of procedures and documents to perform its work in monitoring compliance, handling complaints, investigating alleged breaches of the Code by Subscribers in accordance with the Charter and, recording its operations.

This year, the CMC continued to review, improve and update its procedures and documentation to ensure that the monitoring, complaint handling and investigation functions of the committee were sufficiently robust to underpin the integrity and credibility of the Code for Subscribers and all stakeholders.

## Compliance investigations

The table below summarises the outcomes and/or status of the compliance investigations undertaken by the CMC in relation to the complaints received during the reporting period:

Compliance investigations	Number commenced	6	From Complainants or their representatives		6
			From other sources		0
Status at end of reporting period	Open investigations	0		Age	-
				Status	-
	Concluded investigations (includes one open investigation from FY2021)	7	A	Determination made	No
				Time to conclude	9 weeks*
			B	Determination made	No
				Time to conclude	3 days
			C	Determination made	No
				Time to conclude	16 weeks*
			D	Determination made	No
				Time to conclude	1 day
			E	Determination made	No
				Time to conclude	5 days
F	Determination made	No			
	Time to conclude	3 days			
G	Determination made	No			
	Time to conclude	5 days			
			* delayed pending IDR and EDR processes being completed		

## Conclusion

The CMC concludes that Subscribers continue to exhibit a strong level of compliance to the Code. This view is based on the Annual Compliance Statements lodged by Subscribers, the level and nature of complaints and enquiries regarding the Code to the CMC, and the Complaints Data aggregated from Subscribers.

The CMC is satisfied the 2<sup>nd</sup> Edition of the Code and Charter and the supporting processes continue to be sound and fit for purpose.

The Chair has recorded his appreciation for the knowledge and experience brought to deliberations during and outside meetings by the CMC members and also noted the work and support by the Compliance Manager and ACDBA Secretariat was invaluable in carrying out the responsibilities of the CMC.

This Annual Report was unanimously adopted by the CMC on 2 December 2022.



Digby Ross  
Independent Chair

# Annexure A

## Annual Compliance Statement for year ended 30 June 2022

Subscriber Name:

As a Subscriber of the **Australian Collectors & Debt Buyers Association (ACDBA) 2<sup>nd</sup> Edition Code of Practice (Code)**, we hereby agree to abide by and to comply with the objectives, principles and obligations set out in the Code.

Further, we commit to the spirit and intent of the Code as a condition of our membership of ACDBA.

We confirm our organisation has complied with the Code during the above reporting period, in connection with each of the following:

### 1. Understanding Code Responsibilities

- a. Our Board of Directors have each read and understood the Code or have been made aware of the obligations arising from the Code to which the company subscribes  Yes  No
- b. Our Collections Management have each read and understood the Code  Yes  No
- c. Our Collections Staff Members and other relevant employees have each been trained in respect to the obligations arising from the Code  Yes  No
- If not, by what date will full compliance to each of the above be achieved? Date: / /

### 2. Delivering Code Commitments

- a. The Code has been circulated to our Collections Staff  Yes  No  
If not, by what date will full compliance be achieved? Date: / /
- b. Engaging with Consumers:
- i. We provide general information about a consumer's rights and obligations arising out of our collections activities  Yes  No
- ii. We act fairly and reasonably towards consumers in a legal, equitable and transparent manner when dealing with consumers in our collections activities  Yes  No
- iii. We communicate and conduct our business in a courteous and respectful manner using plain language  Yes  No

- iv. We do not engage in aggressive, deceptive, deceitful, oppressive or improper practices when dealing with consumers in our collections activities  Yes  No
  - v. We do not imply an intention to proceed with litigation or insolvency proceedings against consumers if such action is not possible, not intended or not being considered  Yes  No
  - vi. We comply with all relevant laws and best practice guidelines relating to the Australian collections industry including the ACCC/ASIC Debt Collection Guideline and the Code  Yes  No
- If not, by what date will full compliance to each of the above be achieved? Date: / /

c. Complaints handling:

- i. We have a Complaints Handling Policy and Process, details of which are available on our website  Yes  No
  - ii. We handle complaints promptly and fairly  Yes  No
  - iii. We provide consumers with information on avenues for resolving disputes if we are unable to reach agreement with the consumer  Yes  No
  - iv. We have an Internal Dispute Resolution (IDR) Policy and Process, details of which are available on our website  Yes  No
  - v. We have an External Dispute Resolution (EDR) Policy and Process (where required), details of which are, where applicable available on our website  Yes  No  N/A
- If not, by what date will full compliance to each of the above be achieved? Date: / /

- d. We have a Financial Hardship Policy and Process, details of which are accessible on our website  Yes  No
- If not, by what date will full compliance be achieved? Date: / /

**3. Visibility and Access to the Code**

- a. The current version of the Code is displayed in a readily visible manner at our offices  Yes  No
  - b. The current version of the Code is made available to consumers by electronic communication or by mail upon request  Yes  No
  - c. The current version of the Code has been placed on our website in a location we believe the public will be able to easily locate  Yes  No
- If not, by what date will full compliance to each of the above be achieved? Date: / /

#### 4. Communication and Training

- a. Our Staff have been fully inducted, trained and refresher trained in relation to the Code and their obligations to comply with the Code in all collection activities  Yes  No
- b. Our Staff have adequate knowledge of the provisions of the Code and its application to collections activities  Yes  No
- c. Our Staff competently and efficiently undertake their collections activities in compliance with the Code  Yes  No
- If not, by what date will full compliance to each of the above be achieved? Date: / /

#### Subscriber Acknowledgement and Sign Off

Name of Subscriber: \_\_\_\_\_

Authorised Signatory and Position: \_\_\_\_\_  
[to be signed by CEO/Managing Director/Business Owner]

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

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#### Information:

This Annual Compliance Statement should be completed and signed by the Authorised signatory of the Subscriber not prior to 30 June 2022 and lodged with Australian Collectors & Debt Buyers Association no later than 30 September 2022 by sending it to:

Compliance Manager  
Code Monitoring Committee  
Australian Collectors & Debt Buyers Association  
Email: [compliance@acdba.com](mailto:compliance@acdba.com)  
Postal: PO Box 295 Waratah NSW 2298

## Annexure B

### Aggregated de-identified consumer contacts and complaints data of Subscribers submitted pursuant to the compulsory ACDBA annual data surveys

#### Number of Consumer Contacts Made and Number of Complaints Received

Complaints Experience					
Period	FY2022	FY2021	FY2020	FY2019	FY2018
Number of Respondents	16	16	14	14	15
<b>Total Consumer Contacts Made*</b>	78,928,951	84,853,471	95,027,455	123,981,410	109,139,040
Number of Complaints Received					
Via IDR	38,653 <sup>^</sup>	17,755	15,263	8,364	6,194
Escalated from IDR to EDR <sup>#</sup>	525	496	419	690	Not collected
Via EDR	1026	1,183	2,484	2,473	1,864
Complaints as a Percentage of Consumer Contacts Made					
Via IDR	0.0490%	0.0209%	0.0161%	0.0067%	0.0057%
Via EDR	0.0013%	0.0014%	0.0026%	0.0020%	0.0017%
* Contacts include letters, emails, telephone calls, SMS messages and from FY2019 online portal access <sup>^</sup> Methodology for recording IDR complaints amended from FY2022 to align with <i>RG 271 Internal Dispute Resolution</i> which requires any expression of dissatisfaction to be recorded as a complaint <sup>#</sup> These complaints escalated from IDR to EDR are included in both the number of complaints received via IDR and the number of complaints received via EDR					

#### Number of Complaints Resolved with Breakdown of Outcomes

Complaint Outcomes					
Period	FY2022	FY2021	FY2020	FY2019	FY2018
Number of Respondents	16	16	14	14	15
Outcome of Complaints by Number					
Account paid	589	1,716	413	368	179
Arrangement made /settlement accepted	7,728	744	1,130	612	376
No basis or insufficient detail to investigate or no response from consumer	8,769	4,234	3,534	1,663	1,760
Withdrawn by consumer	333	79	310	118	105
Matter referred back to client <sup>#</sup> for resolution	9,062	486	1,518	557	175
Interest waiver or freeze	178	191			
Account waiver	2,273	262			
Apology letter issued to consumer	141	94	93	142	134
Credit file listing corrected/removed	8,467	10,154	4,387	2,689	1,933
Finalised by EDR award in favour of consumer	11	27	12	15	9
Internal processes reviewed/amended	2	75	45	33	23
Other outcome not disclosed to survey	2,402	1,500	4,203	859	619
Not yet resolved	1,231	241	893	377	507
<b>Total*</b>	<b>41,186</b>	<b>19,803</b>	<b>16,538</b>	<b>7,433</b>	<b>5,820</b>
<sup>#</sup> Client - reference to either an originating creditor or a contingent creditor * The total resolved complaints in this table will not match the total complaints received from the top table due to timing issues in the complaint cycle					

## Number of Notifications from Regulators with Breakdown of Outcomes

Notifications from Regulators					
Period	FY2022	FY2021	FY2020	FY2019	FY2018
Number of Respondents	16	16	14	14	16
<b>Number of notifications during period by regulators of alleged breaches</b>					
<b>Total Notifications Received</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>8</b>	<b>10</b>
<b>Outcome of notifications during period from regulators*</b>					
<b>No finding of breach/dismissed</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>10</b>
<b>Apology offered to consumer</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Written warning</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Enforceable undertaking</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Court decision pending</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Court proceedings finalised</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Other - unspecified</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Not yet resolved</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Total*</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>8</b>	<b>11</b>
* Notifications by regulators of alleged breaches will not always reconcile to outcomes of notifications due to timing issues					

Disclaimer:

The above information was compiled by ACDBA from its annual data survey of Subscribers for the Reporting Period.