

# Superannuation Data Standard Technical Group – May 2022 key messages.

File ref: 05/2022

<b>Title:</b>	Superannuation Data Standard Technical Group (SDSTG)		
<b>Issue date:</b>	23 June 2022		
<b>Venue:</b>	WebEx		
<b>Event date:</b>	25 May 2022	<b>Start:</b> 9.30am	<b>Finish:</b> 11.00 am AEST

<b>Chair:</b>	Melanie Casey	A/g Assistant Commissioner, Superannuation and Employer Obligations
<b>Contact:</b>	Darrel Cunnington	<b>Contact phone:</b> 07 3213 3265

<b>Industry Attendees:</b>	Judith Eather, CFS Group Matt Rea, Link Group Tristan Herbert, CSC Grant Doherty, QValent	Jack Gao, IRESS Fraser Cooper-Southam, SuperChoice Michelle Bower, GNGB David Delaney, ASP Stephen Milburn, SunSuper
<b>ATO Attendees:</b>	Melanie Casey, Superannuation & Employer Obligations, ATO Shane Moore, Superannuation & Employer Obligations, ATO Tracie Crowden, Superannuation & Employer Obligations, ATO Ian Morgan, Superannuation & Employer Obligations, ATO Tracy Holloway, Superannuation & Employer Obligations, ATO Alex Barnes, Enterprise Solutions and Technology, ATO Paul Mosca, Enterprise Solutions and Technology, ATO Al Ramsay, Superannuation & Employer Obligations, ATO.	

<b>Next meeting:</b> Tuesday 23 <sup>rd</sup> August, 2022
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## Agenda item: 1– Welcome and opening remarks

Melanie Casey opened the meeting with the acknowledgment to country and welcomed attendees to the meeting.

### Membership update

- Judith Eather - replacing John Kennedy, CFS Group
- Jessica Hahn – replacing Brett Hillier, LGIA super

## Agenda item: 2 – SDSTG Action Items and Issues Register call over

Shane Moore provided an overview on both registers.

- Action items taken as read. No further input from group.
- All open issues remain on hold. No further input from group.

## Agenda item: 3 – GNGB update

Michelle Bower provided the following update:

An STN Incident Response test, facilitated by Deloitte was conducted on May 19th, which simulated a ransomware attack on two gateways. The scenario included an outage of 40% of STN traffic for a period of 4 weeks. The goal was to test the impact to continuity and stakeholders more broadly. The scenario confirmed STN participants knowledge of the Incident Response Plan. A summary report will be available in late June.

A Superannuation Ecosystem Incident Response Test is scheduled for June 23. The simulation is run in conjunction with the Joint Cyber Security Centre and facilitated independently, and seeks to incorporate entities along the value chain of the superannuation transaction network including:

- Data centre service providers
- SMSFs
- Super Administrators and
- APRA regulated super funds; and
- ATO

GNGB continues to review the BIPs as technical instruments within the STN. Of the 16 current BIPs

- 1 has been retired as a result of the review
- 8 have been reviewed and updated
- 2 have been agreed and are awaiting implementation
- 3 in draft status, and
- 2 yet to begin review.

Once completed, the outcomes of the review will fold into the broader SuperStream artefact rationalisation led by Shane Moore.

## Agenda item: 4 – ASP update

David Delaney provided the following update:

ASP held a strategy day on 1<sup>st</sup> March. 3 of the Top 5 priorities where ASP have continued to work with the ATO include:

- Rollover V3 harmonisation
- Fraud mitigation and

- Identifying operational improvements and efficiencies in advance of the next opportunity.
- ASP have been involved in ongoing collaboration with the SMSFA and ATO in order to address a number of issues/gaps and concerns that have been identified since the implementation of Rollovers V3.
- ASP are collating information from their members to support mitigation of some administrative processes that are vulnerable to fraudulent activity which includes potential enhancements within SuperStream that could be considered at the next available opportunity. These will be shared with the ATO once complete.

## Agenda item 5: RV3 update

### **Ian Morgan provided the following update:**

It was acknowledged that there is still room to help improve the business process for SMSF rollovers. The ATO discussed the following issues and outlined solutions.

#### **Issues**

- SVS 'not valid' responses - mainly due to SMSFs failing to have a valid electronic service address (ESA) and/or bank account details on file with the ATO.
- SMSF is not the ESA's client - Instances where there is a delay between the SMSF trustee updating the ATO records with an Rv3 enabled ESA and the ESA registration being updated with the provider. This results in the APRA fund being unable to successfully send the data message.
- SMSF rollover payment issues:
  - Multiple payments for one message.
  - Using different PRNs.
  - Using alternative payment methods, such as over the counter transfers, that are not BECS and do not contain PRNs.
- There are still a few issues to iron out between SMSF's and APRA funds, which includes SMSF payment and message misalignment causing delays between receiving either the Rollover Message and/or Payment from the SMSF.

#### **Solutions**

The ATO is regularly updating internal scripting and external web content as issues are identified and additional clarification is required.

We have also

- issued comms/alerts to remind SMSFs and their representatives what is required prior to a rollover
- updated guidance to remind SMSF trustees of their obligation to have records updated accurately
- advised SMSFs to speak with their bank and APRA fund prior to commencing a rollover

- continued to run campaigns and will develop a “*how to undertake a rollover*” flow chart to assist SMSFs new to using SuperStream for rollovers – which will be published on ATO.gov.au, and
- set up a regular forum for APRA funds and SMSF service providers to share knowledge and work through issues.

Australia Post have been online for a few weeks and working well. The BTB space mirrors this.

**Discussion: Maximum number of characters for the bank account name.**

Background:

- Some solutions allow for (and pass on) SMSF bank account names larger than 64 characters.
- This has caused issues with some providers being unable to consume bank account names greater than 64 characters. (Noting from an SMSF verification service perspective, the ATO truncates characters after our system limit, and SMSF account name is not used for verification purposes.)

The group discussed whether there is a standard, or even accepted usage, that applies a limit to the number of characters for the SMSF bank account name.

- Some funds truncate fields before storing in their data base, however, they still need to be able to access the entire account name.
- Grant Doherty advised there was a 32-character limit in the data field according to BECS, but more can be provided in the SuperStream message.
- The point was raised that bank statements must match and if truncation occurs, then matching becomes difficult. An example, that some providers only accept 32 – 64 characters, more than that then messages can reject. Especially those with ‘as trustee for’ names. The situation arises where some individual providers implement their own field length.
- To allow rollovers messages from SMSFs to get through to funds it was recommended providers allow acceptance of account names greater than 64 characters. Providers/funds can truncate the data according to their own to support automated processing of SuperStream transactions.

Action item:	Due date:	Responsibility:
26.05.2022-1	30.07.2022	Shane Moore & Michelle Bower
Any reasonable and logical limit for bank account name will be discussed at the next gateway operators meeting that will facilitate messaging getting through to funds to support rollover transactions from SMSFs.		

**Discussion:** Use of NPP by SMSFs making a rollover to APRA funds

- Guidance Note (G051) relating to use of NPP for SuperStream was discussed as SMSFs have been experiencing issues when their financial institution defaults to making the payment to an APRA fund via NPP.

- The group discussed whether we need to re-visit this guidance note to support reconciliation of the rollover message and payment and prevent.
- It was suggested specific examples were required for practicality to better understand underlying issue/s.
- It was acknowledged that NPP guidance is binding on financial institutions on how the PRN is to be passed through in the end-to-end id field within the NPP message.
- If the SuperStream GN is updated, we need to ensure there are no unintended costs or consequences across the network.
- End user cases are required and the ATO could then liaise with the NPP about possible solutions. The group confirmed these aren't new issues, but it is a challenging situation.

<b>Action item:</b>	<b>Due date:</b>	<b>Responsibility:</b>
26.05.2022-2	30.07.2022	ATO – Shane Moore
The ATO to hold a small working group in June to discuss SMSF issues connected to NPP. Interested parties should send nominations to the FSE Governance mailbox to register.		

### **Agenda item: 6 – Your Super Your Future update**

#### **Tracie Crowden advised:**

- By late August, the ATO will have loaded the latest APRA fund MySuper product performance results onto the YourSuper Comparison Tool.
- A DSP webinar was held the week commencing 16th May to walk people through the new YFYS Stapled Fund request wholesale solution API and to gauge DSP take-up.
- The ATO is also undertaking a Choice form review. There are 2 prototypes to user test – this work is in isolation to the paper PDF and focusses on reducing the number of pages, and to make the document more conversational and user friendly.

### **Agenda item: 7 – Discussion: Successor Fund Transfers**

**Lessons learned - Communications for USI changes - Making USM payments to the ATO after an SFT.**

#### **Michelle Bower lead the discussion and outlined:**

There are forecast to be more SFTs on the horizon in the next year or so and YFYS has added to SFT activity. The GNGB, together with Gateway Operators, would like to consolidate the learnings and develop some principles around good practice.

Although the ATO has a SFT protocol document, it focuses largely on fund's reporting requirements and specific guidance around member transactions/payments. There is an opportunity to work together with industry to look at best practice and principles of success through the SFT process.

GNGB acknowledge that Funds have many demands on their planning and change processes and noted the STN is in a good position to provide advice and support around best practice in relation to superannuation transactions, as Gateway Operators see first-hand where the problems can occur.

Complexity surrounds changes of USIs and the GNGB is well positioned for the STN to be used as a communications channel that reaches clearing houses and employers.

We share a common interest in a smooth transition process, both from the Gateway / STN perspective but also super funds managing their employer/members.

We discussed:

- USIs need to be changed in an employers' solution for contributions and funds for rollovers, but we acknowledge this isn't prioritised and results in traffic to the old USI until errors are encountered.
- early awareness of the change by clearing houses or employer's agents can assist with communications / raising awareness and portal changes. Super funds can be proactive with new USI details – the STN can assist in sharing the communications with downstream parties.
- a defined cutover date is needed, however a parallel run of USIs in the lead up to that date is helpful to allow a runway of cutover (and also manage response messages). Parallel run requires ATO consultation / relief.
- difficulties arise when there is a freeze period (non-processing of transactions). This may be a strategy deployed to assist with registry processing during an SFT, however it creates problems as employers need to partially pay super contributions which is not manageable.
- a strategy needs to be considered for orphan response messages as these are currently handled out of band post cutover date, with SFTs creating large volumes.

Michelle concluded by asking what are the high level issues of pain experienced by the group over time and could the ATO support documentation be updated?

In response, Shane Moore advised that the SFT protocol is the primary ATO document regarding SFT support, which is regularly reviewed, and we can consider any updates to make the SFT process as smooth as possible.

A main challenge is that there is no obligation on behalf of funds to advise the ATO of an SFT. The ATO can only work with funds to help them through the process.

FVS improvements could be a key driver of USI activity. What we would also like to avoid is unintended outcomes so employers can still meet their SG obligations.

Remediation payments to the ATO after a USI has closed are an emerging issue, which needs to be considered as part of the SFT process.

David Delaney added that a major problem is communications with members and who the members are, especially during parallel runs of USIs.

Michelle Bower asked David when there is a transaction freeze, what should the guidance be in this situation, as we don't want employers not sending their SG contributions.

David advised the FVS is not a tool to turn transactions on and off. Could we look at soft and hard freezes, can transactions be backdated? Shane Moore advised that there was a freeze in a SFT recently with clearing houses involved. This is not an ideal process and as such the next round of updates to the ATO protocol will clarify these issues.

<b>Action item:</b>	<b>Due date:</b>	<b>Responsibility:</b>
26.05.2022-3	30.07.2022	Shane Moore & Michelle Bower
To discuss options for additional SFT support for funds and review existing SFT protocol to identify improvements and consider Super News articles and other ATO forums for broader education.		

## Agenda item 8: Other business

### SuperMatch

Shane Moore discussed current activity with SuperMatch and the focus area of online account creation and that we have issued questionnaires to current users of the service to understand monitoring activities that connect to the service.

We are reviewing responses and will consider any further changes or processes that will help safeguard use of the service and prevent loss of member data or unauthorised rollovers of member accounts between APRA funds. The ATO is seeing an increase in staging accounts that is connected to this type of activity.

### Response Messaging

There are ongoing challenges for gateways, and it was recommended to revisit taxonomy failures, as funds are having issues relating to failed messages and unaware of the problems.

Jack Gao is seeking advice regarding taxonomy failures and syntax errors, in that there is a need for more than business messages.

Gateways have differing message formats. Jack suggested the next rollover guidance update should aim to standardise the receipt message.

Steve Milburn advised there are challenges around the gaps of response messages, with Taxonomy being an issue. Prioritisation of responses is required. The main gap fail may sit with the gateway, with the linking of failure messages using different conversation Id's.

Shane Moore advised the ATO is aware of the issue and it was raised at the last GOM.

<b>Action item:</b>	<b>Due date:</b>	<b>Responsibility:</b>
26.05.2022-4	30.09.2022	Shane Moore
The ATO will fold this issue into updated, broader guidance which will include a review of the Response Messaging User Guide which is still in draft from 2018. Michelle Bower confirmed she would also look at the issue		

The topic of BIPs notes was raised again with issues around validation discussed. Michelle advised all roads lead to a broader response of messages and supports. The response suite is being reviewed to improve overall efficiency, and Michelle reiterated to the group that GNGB is available to provide support.

## Agenda item: 9 – Meeting close and remarks.

- Next SDSTG will be held on Tuesday 23rd August 2022.
- Meeting closed 10.55am.