FSC Guidance Note No. 41

Insurance in Superannuation

Developing a Vulnerable Member Policy

15 September 2021

FSC FINANCIAL SERVICES COUNCIL

FSC Guidance Note No. 41

Insurance in Superannuation

Developing a Vulnerable Member Policy

Date of this version: 15 September 2021

Application of this Guidance Note: This Guidance Note is relevant to all FSC superannuation members.

Main Purpose of this Guidance Note: This Guidance Note was jointly developed by the Australian Institute of Superannuation Trustee (AIST), Association of Superannuation Funds of Australia (ASFA) and the FSC to provide guidance on dealing with vulnerable customers.

Disclaimer: *This document does not constitute any legal, accounting, tax or financial product advice, and does not take into account the objectives, financial situation or needs of any person or the terms of any commercial transaction. Users should obtain their own professional advice tailored to their own circumstances before using this document for their own commercial purposes. The Financial Services Council Ltd (FSC) does not give any warranty with respect to this document and has no responsibility for any loss, damage or liability whatsoever arising from the use of this document. The use of this document is subject to the terms and conditions prescribed by the FSC from time to time in relation to the access, use, transmission or dissemination of this document.*

FSC Guidance Note No. 41

Table of Contents

	Paragraph	Page
About Guidance Notes	1	5
Vulnerable member - Reference Materials	2	5
Overview	3	6
Purpose	4	9
Guidance Note principles	5	9
Respect provision	5.1	9
Definitions	6	9
Aboriginal or Torres Strait Islander peoples	6.1	10
Age	6.2	10
People with disabilities	6.3	10
Financial distress	6.4	11
Family violence	6.5	11
Low level literacy	6.6	11
Mental health conditions	6.7	12
Natural disasters and catastrophic events	6.8	12
Non-English-speaking backgrounds	6.9	12
Isolation	6.10	12
Addressing specific issues	7	13
Communication	7.1	13
Lack of/limited English comprehension	7.2	15
LGBTQIA+, biological sex and gender identity	7.3	15
Identification & KYC	7.4	15

Table of Contents

	Paragraph	Page
Aboriginal and Torres Strait Islander peoples	7.5	15
Age & frailty	7.6	16
Injury or illness	7.7	16
Mental Health	7.8	17
Family violence	7.9	17
Natural Disasters/Catastrophe	7.10	17
Case Management	7.11	17
Third Party Authorisation	8	18
Training	9	18
Complaints	10	18

FSC Guidance Note No. 41

1. About Guidance Notes

Guidance Notes are intended to provide superannuation trustees and funds with information about ways of doing things that work.

The use of a guidance approach does not mean one size fits all. It means seeking out ideas and experience from those who have undertaken similar activities in related fields, deciding which of those practices are relevant to your situation, testing them out to see if they work, before incorporating the proven practices in your own documented processes.

Association member organisations cover a diverse range of goals, member needs and resources according to which they can adapt this Guidance Note's recommendations to their own particular needs.

This paper is intended as a guide only and is not intended to be used as a substitute for professional advice.

Each association expressly disclaims all liability and responsibility to any person who relies, or partially relies, upon anything done, or omitted to be done, by this publication.

2. Vulnerable member - Reference Materials

Relevant legislation:

- Disability Discrimination Act 1992 (Cth)
- Disability Act 2006 (Vic)
- Equal Opportunity Act 2010 (Vic)
- Charter of Human Rights and Responsibilities Act 2006 (Vic)
- Sex Discrimination Act 1984 (Cth)

Accessibility guidelines:

Make content accessible - digital guide | Victorian Government (www.vic.gov.au)

https://guides.service.gov.au/content-guide/accessibility-inclusivity/

Australian Network on Disability (AND)

https://www.and.org.au/

Australian Human Rights Commission (AHRC)

https://humanrights.gov.au/

Australian Bureau of Statistics (ABS)

https://www.abs.gov.au/

Australian Institute of Health and Welfare (AIHW)

https://www.aihw.gov.au/

Council of Australian Life Insurers (CALI)

https://cali.org.au/life-code/

Commonground

https://www.commonground.org.au/learn/acknowledgement-of-country

Effective Engagement with Older People

https://www.sahealth.sa.gov.au/wps/wcm/connect/efc56a004efc69f1b7ccf79ea2e2f365/Better+Together+-+A+Practical+Guide+to+Effective+Engagement+with+Older+People.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-efc56a004efc69f1b7ccf79ea2e2f365-n5iGPRD

Financial Services Council (FSC)

https://www.fsc.org.au/resources/fsc-standards-and-guidance-notes/standards

Insurance Council of Australia (ICA)

https://disasters.org.au/

Intersex Human Rights Australia (IHRA)

https://ihra.org.au/style/

https://interactadvocates.org/wp-content/uploads/2017/01/INTERSEX-MEDIAGUIDE-interACT.pdf

https://www.ag.gov.au/sites/default/files/2020-03/AustralianGovernmentGuidelinesontheRecognitionofSexandGender.pdf

Reconciliation Action Plans (RAP)

https://www.reconciliation.org.au/reconciliation-action-plans/

Readability scores

https://www.webfx.com/tools/read-able/

Web Accessibility Initiative (WAI)

https://www.w3.org/WAI/standards-guidelines/wcag/

3. Overview

This Guidance Note is intended to assist superannuation funds meeting the particular needs of their vulnerable members and promoting the best interest of members.

The Guidance Note operates alongside and is subject to existing laws and regulations. Where there is any conflict or inconsistency between it and any law or regulation, that law or regulation prevails.

Introduction

The Vulnerable Members Guidance Note derives from the Insurance in Superannuation Voluntary Code of Practice but significantly extends the commitment of the FSC to protect and improve the interests of vulnerable members in relation to insurance in superannuation.

The Code was launched in 2018, however, significant parts became redundant due to legislative reform and regulatory changes. In particular, the Protecting Your Super and Putting Members' Interests First legislative packages made substantial sections of the Code redundant. For this reason the Code owners (AIST, ASFA and the FSC) agreed in 2021 to maintain only those sections of the Code upholding consumer protections that were not supported by regulation and to do so through the use of Best Practice Papers.

The use of guidance or best practice papers allows the establishment of industry practices but also has the flexibility to adapt quickly to changing circumstances. Given the recent attention directed to

insurance in superannuation and the pace of change it is likely that such flexibility will be required in the future.

The vulnerable members initiative undertaken by AIST, ASFA and the FSC with the active and enthusiastic support of our member funds, is an important example of the industry recognising an issue that requires attention, and nimbly moving to address it. ASIC identified the importance of the superannuation industry articulating a 'consumer-centric' approach to vulnerability, by acknowledging the wide range of unique needs amongst members, and the industry has responded with this initiative.

This Guidance Note will avoid duplicating or repeating any relevant legislation. However, it should be remembered that there may be additional standards set by regulatory requirements relevant to superannuation fund engagement with vulnerable members, such as those for RSE licensees meeting their Design and Distribution Obligations and strengthening product governance arrangements. Where they may overlap, or be inconsistent with, the Vulnerable Members Guidance Note, the legislation or regulatory requirements will of course prevail.

Guiding principles for superannuation funds

Trustees recognise that members who have unique needs or experience vulnerability may require additional support when approaching us about or applying for insurance, making an enquiry, claiming on their cover, making a complaint and/or communicating with us.

While trustees seek to identify members with special needs or who may be vulnerable due to other factors, they should encourage members to inform their staff so they can provide members with additional support.

Trustees should acknowledge that the needs of vulnerable members may be permanent or temporary and change over time or increase in certain situations.

A member's vulnerability may be due to a range of factors including but not limited to:

- Aboriginal or Torres Strait Islander identity
- age
- disability
- financial distress
- family violence
- low level literacy
- mental health conditions
- natural disaster
- non-English-speaking backgrounds
- isolation
- incarceration

Trustees will have internal policies in place to help staff identify vulnerable members and will ensure staff are provided with the necessary tools to better assist members who may require additional support.

Trustees will make their policies on vulnerable members publicly available.

In consultation with the member, trustees may refer the member to people or services with specialist training and experience to appropriately engage with and support the member's needs.

Trustee staff will engage with members in a dignified, respectful and compassionate manner and will give staff access to resources and training to ensure this occurs.

Providing information

Where the member tells the trustee that they require support or assistance from the trustee, the trustee will provide support or assistance to the best of its ability. The trustee will ask for the member's permission to keep a record of the support or assistance they require.

If the member requires additional support from a representative, family member or friend, the trustee will recognise this and allow for it in all reasonable ways.

The trustee should recognise that certain members may require support in meeting identification requirements.

The trustee will take reasonable measures to assist members with meeting identification/ verification requirements and provide a flexible approach to approach to verification and identification in line with AUSTRAC guidance, while still complying with obligations under the law.

The trustee should recognise that people living in isolation and/or remote and regional communities may have trouble meeting their obligations to provide us with documents and to take part in assessments in the timeframes set by the trustee. The trustee will take this into account when going through the underwriting and claims processes.

If the member needs help with the claim process, in understanding what is required of them, completing claim forms or providing requested claim information, the trustee will work with the member and the insurer to find a solution. This may include endeavours to collect the information on the member's behalf, with the member's permission.

Interpreting services

The trustee will provide access to an interpreter at the member's request, or where an interpreter is needed to communicate effectively with the member.

The trustee may use an interpreter who is a member of staff, or an external interpreter.

The trustee will appoint an external interpreter if a member of staff is unable to clearly communicate with the member in their chosen language.

The trustee will arrange relevant training for staff who are likely to be involved in communications requiring an interpreter.

The trustee will provide a direct link on our website to information on interpreting services and any other relevant information for non-English speakers, including any insurance information that we have translated into other languages.

Guardianship

The trustee recognises that where members are under the care of an appointed guardian, administrator or the holder of an enduring power of attorney, any communications they provide will be sent directly to the guardian, administrator or attorney, and the trustee may only accept payment instructions from them.

Release of funds

If the trustee allows its members to receive early release of some of the money in their account on the basis of severe financial hardship or compassionate grounds, the trustee will clearly explain the process on its website. If the trustee does not allow this, it will explain the reasons for this on its website.

If the trustee grants the release of the member's superannuation account balance (for example, due to a terminal illness), the trustee will let the member know the impact on any insurance cover they still have at the time and that they can choose to leave enough funds in their account to pay the premiums for their cover.

4. Purpose

The purpose of this guidance note is to assist funds to identify vulnerable members and ensure that all trustee and associated partner staff are aware of, and can recognise, the need for additional support that these members may have.

This guidance note also addresses how to cater for the needs of vulnerable members with regards to products and services including the provision of dedicated and/or trained staff that can provide additional support.

Incorporating robust checks and balances, this policy aims to:

- Provide a well-defined, systematic approach to vulnerable members
- Assist funds and Insurers to proactively identify vulnerable members and minimise the reliance on self-identification by the members themselves
- Provide a culture of support, protection, and accountability
- Ensure appropriate support is provided to vulnerable members when it is required rather than an ad hoc approach
- Empower members to be confident in the decisions they make because they can access and understand the information they need to make them.

5. Guidance Note principles

This guidance note recognises that superannuation fund policies for vulnerable members will require a commitment to dedicated and professional support.

Funds need to adopt a flexible approach in recognition of a member's vulnerability status so that the experience of vulnerable members is not diminished through over-adherence to prescriptive rules. This policy advocates that vulnerable members are treated with dignity and respect and recognised as capable decision makers.

Members who have unique needs or experience vulnerability may require additional support when communicating with funds and insurers about insurance, making an enquiry, claiming on their cover or making a complaint. Members can be temporarily or permanently vulnerable and their needs can change over time or be exacerbated in certain situations.

This guidance note requires policies to advocate for respect and inclusivity and should inform the training of superannuation fund staff and third parties. Individuals that access insurance in their superannuation should find it easy to understand, easy to access, and accommodating to their needs.

Discriminatory language, attitudes and assumptions should not play a part in any interactions that individuals have with their superannuation fund.

5.1 Respect provision

Members must always be treated with respect and fund and insurance staff must always be respectful of a member's or their representatives' personal circumstance.

6. Definitions

A member's vulnerability may be due to a single factor or a combination of factors:

6.1 Aboriginal or Torres Strait Islander peoples

Approximately 3% of Australians identify as Aboriginal or Torres Strait Islander peoples. Individuals who identify as Aboriginal or Torres Strait Islander may be affected by the gaps in health and wellbeing noted and monitored by the Australian Government. These gaps have been identified as a lower life expectancy, higher levels of child mortality, reading, writing and numeracy gaps, employment and early childhood and educational attendance.

Indigenous adults are 32 times as likely to be hospitalised for family violence as non-Indigenous adults and between 2017 and 2018, 25% of Indigenous specialist homelessness services clients sought assistance for family violence (AIHW 2019).

Indigenous Australians are twice as likely as other Australians to be seriously injured, and twice as likely to die of an injury (AIHW).

6.2 Age

In the context of financial services, age is acknowledged as a potential vulnerability for several reasons:

Younger:

- Very young members of a Fund may lack financial literacy or be more vulnerable to fraud due to inexperience or an overly trusting approach
- Young women aged 18–34 are 2.7 times as likely as those aged 35 and over to have experienced intimate partner violence in the last 12 months (ABS 2018)
- Most hospitalisations due to injury occur in the 25–44 age group for males.

Older:

- Many older members will have kept up with technological changes, but some won't have the skills or ability to access information and forms online
- Of all people with disability, 1.9 million are aged 65 and over, representing almost half (44.5%) of all people with disability. This reflects both an ageing population and increasing life expectancy of Australians (Australian Network on Disability)
- Most hospitalisations due to injury occur in the 65+ age group for females
- Close to 1 in 4 adults aged 65+ are considered to be socially isolated due to living alone, losing family members and friends, chronic illness and hearing loss.

Elderly:

- For elderly members of a Fund, staff need to be aware of the risk of elder neglect, elder emotional or psychological abuse and, in particular, elder financial abuse. Elder financial abuse is the mismanagement or improper use of an older person's finances and staff need to be particularly vigilant when managing requests from third parties for elderly members. In 2017–18, more than 10,900 calls were made to elder abuse helplines across Australia. Female victims outnumbered male victims in each state and the proportion of victims generally rose with age. Emotional and financial abuse were the most common types of elder abuse reported (AIWH).

6.3 People with disabilities

According to the Disability Discrimination Act 1992 (Cth), to be deemed a disability, an impairment or condition must impact daily activities, communication and/or mobility and have lasted or is likely to last six months or more. The breadth of impairments and medical conditions covered by the Disability Discrimination Act 1992 (Cth) are:

- Physical – affecting a person's mobility or dexterity
- Intellectual – affecting a person's abilities to learn
- Mental Illness – affecting a person's thinking processes
- Sensory – affecting a person's ability to hear or see

- Neurological – affecting the person's brain and central nervous system
- Learning disability
- Physical disfigurement or
- Immunological – the presence of organisms causing disease in the body.

Disability can be visible or non-visible, with a higher prevalence of non-visible disability in Australia. Disability can be inherited or acquired (due to illness or injury) and can be temporary or permanent.

According to the Australian Human Rights Commission (AHRC), one in five Australians has a disability, and the proportion is growing with the likelihood of living with disability increasing with age. Assisting to facilitate full and independent participation by people with a disability in their financial affairs including superannuation and insurance is consistent with our obligations to remove discrimination in all parts of life. Over two million people of working age in Australia have disability (Australian Network on Disability - AND).

Statistics collected by the AIWH reveal that 1 in 3 women and 1 in 5 men with disability experienced emotional abuse from a partner. When compared with people without disability, people with disability were 1.8 times as likely to have experienced physical and/ or sexual violence from a partner in the previous year, and 1.7 times as likely to have experienced sexual violence (including assault and threats) since the age of 15 (ABS 2018).

6.4 Financial distress

Financial distress is defined as a condition in which an individual cannot generate sufficient revenue or income, so that they are unable to meet their financial obligations.

People living in the most disadvantaged areas of Australia are 1.5 times as likely to experience partner violence as those living in areas of least disadvantage (ABS 2018).

There is 1.5 times the rate of disease burden in the lowest socioeconomic group compared with the highest socioeconomic group (AIWH).

6.5 Family violence

The Australian Institute of Health and Welfare (AIHW) in their report Family, domestic and sexual violence in Australia: continuing the national story 2019 describe family violence as:

'…violence between family members, typically where the perpetrator exercises power and control over another person.'

Family violence is the preferred term for violence between Aboriginal and Torres Strait Islander people, as it covers the extended family and kinship relationships in which violence may occur. Domestic violence is considered a subset of family violence and typically refers to violent behaviour between current or previous intimate partners.

Acts and behaviours associated with family, sexual and domestic violence vary in type, duration, intensity and frequency and include physical and sexual violence and psychological and emotional abuse. The term 'violence' also includes the attempt or threat of violence.

6.6 Low level literacy

This definition includes reading and writing, numeracy and financial literacy.

6.6.1 Reading literacy

A study by the OECD found that over 20% of Australians can only complete very simple reading or mathematical tasks, such as reading brief texts on familiar topics or understanding basic percentages.

Nearly half (44%) of all Australians are at literacy level of 1 to 2 (a very low level), 39% are at level 3 and only 17% of Australians at are at level 4 to 5 (the highest level).

6.6.2 Numeracy

Numeracy levels in Australia show that approximately 55% are at numeracy level 1 to 2 (a very low level), 32% at level 3 and only 13% are at level 4 to 5 (the highest level).

6.6.3 Financial literacy

Due to the nature of the service Funds provide to our members, it is important to consider financial literacy in our membership base. A study by Professor Alison Preston from UWA estimated that nearly one in two (45%) of adults in Australia are financially illiterate (that is, being unable to explain three basic financial concepts).

6.7 Mental health conditions

A mental illness is a health problem that significantly affects how a person feels, thinks, behaves, and interacts with other people. It is diagnosed according to standardised criteria. The term mental disorder is also used to refer to these health problems.

A mental health problem also interferes with how a person thinks, feels, and behaves, but to a lesser extent than a mental illness.

About one in five Australians will experience a mental illness at some time in their lives.

Mental health problems are more common and include the mental ill health that can be experienced temporarily as a reaction to the stresses of life. While mental health problems are less severe than mental illnesses they may develop into a mental illness if they are not effectively dealt with.

Mental illnesses cause a great deal of suffering to those experiencing them as well as their families and friends. Furthermore, these problems appear to be increasing.

According to the Department of Health, almost half of all Australians aged 16 to 85 years will experience mental illness at some point in their life. The most common conditions are anxiety, affective disorders (especially depression) and substance use disorders (especially alcohol use).

One quarter of Australians aged 16 to 85 years will experience an anxiety condition during their lifetime and women are more likely than men to experience depression and anxiety.

6.8 Natural disasters and catastrophic events

Funds will be guided by the Insurance Council of Australia (ICA) definition as to what is considered a natural disaster or catastrophic event. Natural disasters and catastrophic events in Australia can include heatwaves, bushfires, droughts, floods, severe storms and tropical cyclones, earthquakes, pandemics, tsunamis and landslides. Claims handling procedures will be adjusted according to what is a fair and reasonable response to the disaster or catastrophic event.

6.9 Non-English-speaking backgrounds

Culturally and Linguistically Diverse (CALD) people are people from other cultures, or people who speak another language. People who live in Australia are from over 190 countries and come from 300 different ancestries.

In Australia:

- 27% of Australians were born overseas
- 46% of Australians have at least one parent who was born overseas
- 19% of Australians speak a language other than English at home
- Since 2005, migration has contributed more to the Australian population growth than the birth-rate.

6.10 Isolation

6.10.1 Social

Social isolation is seen as the state of having minimal contact with others. It differs from loneliness, which is an emotional reaction to having a lower level of social contact than desired. A person may be socially isolated but not lonely, or socially connected but feel lonely. The number of friends a person has does not predict how lonely they feel. Social isolation significantly increases a person's risk of premature death from all causes and is associated with an increased risk of dementia. Loneliness has been associated with higher rates of depression, anxiety and suicide.

6.10.2 Geographical

Where you live can affect your chances of serious injury or death from injury, with the highest rates of injury among people in remote areas.

People living outside major cities are 1.4 times as likely to have experienced partner violence since the age of 15 as people living in major cities and people in remote and very remote areas are 24 times as likely to be hospitalised for domestic violence as people in major cities.

In remote and very remote areas, individuals experience 1.4 times the rate of disease burden compared with major cities (AIWH).

6.10.3 Incarceration

The AIHW has recognised that incarcerated individuals are a particularly vulnerable population. While the cohort of incarcerated persons is diverse, it is widely recognised that they have higher health care needs than the wider population. In 2019, 43,000 individuals were incarcerated in Australia and of those 28% identified as Aboriginal and Torres Strait Islander.

7. Addressing specific issues

It is important to accommodate the requirements of vulnerable members to allow equitable access and strengthen a fund's relationship with its consumers.

Research conducted by the AHRC shows that people with disability are three times as likely to avoid an organisation and twice as likely to dissuade others because of an organisation's negative diversity reputation than people without a disability. 28% of people with disability report that they have experienced discrimination by one or more of the organisations they've recently interacted with and 1 in 3 people with disability report that their customer needs are often unmet. Almost one-third (33.1%) avoid situations such as going to the shops or the bank because of their disability.

7.1 Communication

To ensure inclusivity of communication, content should be written clearly for a diverse audience and be available in a number of alternative formats.

7.1.1 Alternative formats

Alternative formats to consider include audio, easy English, e-text, Auslan translation or Braille. Video content should always include subtitles and consideration should be given to subtitles in the languages other than English that are most commonly spoken by fund members.

An accessibility tag should be included in publications such as the suggested text from the Victorian government:

Contact us if you need this information in an accessible format such as large print or audio, please telephone (call centre details) or email (fund enquiry email address). This document can also be found in (for example, HTML or PDF) formats on our website (fund website address).

7.1.2 Online content

Web Content should comply with the Web Content Accessibility Guidelines (WCAG) 2.1 and funds should decide what level of accessibility they want to have in their web content.

The WCAG guidelines outline Four Principles of Accessibility for web content, but that are equally as applicable for all content developed by funds.

Users must have content that is:

- **Perceivable** - Information and user interface components must be presentable to users in ways they can perceive. This means that users must be able to perceive the information being presented (it can't be invisible to all their senses)
- **Operable** - User interface components and navigation must be operable. This means that users must be able to operate the interface (the interface cannot require interaction that a user cannot perform)
- **Understandable** - Information and the operation of user interface must be understandable. This means that users must be able to understand the information as well as the operation of the user interface (the content or operation cannot be beyond their understanding)
- **Robust** - Content must be robust enough that it can be interpreted reliably by a wide variety of user agents, including assistive technologies. This means that users must be able to access the content as technologies advance (as technologies and user agents evolve, the content should remain accessible)

7.1.3 HTML vs PDF

It is important to note that HTML formats should be prioritised online as PDFs are not accessible on all mobile devices. PDFs do not comply with Web Content Accessibility Guidelines (WCAG) 2.1 due to a lack of support for document structure. When providing a link to a PDF document, the PDF must be accessible, but it is best practice to offer an alternative accessible format such as HTML.

7.1.4 Visual impairments

For individuals with a visual impairment, the minimum type size of 12 point or 16 point is recommended. Plain fonts such as Arial are more easily perceived because they do not contain small curls or decorative features (sans serif). Information is easier to read if it is written using a mixture of upper and lower case with blocks of text in capitals avoided.

Funds should aim to use a simple layout and bold text for emphasis rather than underlining or using italics. Margins should be justified on the left hand side but unjustified on the right for ease of reading.

Funds should avoid placing text over pictures or other images as it makes the text difficult to read. Consideration should be made to limit the use of tables and try to use bullet points where possible, for better visibility and for people with low literacy.

Where tables are used, the content should be designed so that it is suitable for screen reading software – for example, by formatting rows with headings as heading rows.

Include accessibility tags in publications to let readers know other formats are available and how to obtain them via telephone, email or website. Use cream or off-white non-glossy paper to reduce glare and uncoated paper weighing over 90gsm.

Funds should keep in mind that very large or very small documents can be difficult to handle. A4 size is generally the most user-friendly.

7.1.5 Low literacy levels

All content should be written in plain English to Australian Grade 8 level (age 12-13). Content should be concise as possible and use headings to 'signpost' the information. Paragraphs should be succinct and use a minimum 14-point font size. Illustrations, symbols or photographs should be used to assist the reader to understand the concepts.

When considering readability, funds should choose a method of assessing their content such as:

- Hemingway app

- Flesch Kincaid Grade Level
- Gunning Fog Score
- Simplified Measure of Gobbledygook Index
- Coleman Liau Index
- Automated Readability Index.

7.2 Lack of/limited English comprehension

7.2.1 Interpreters

Funds need to provide access to an interpreter at a member's request, or where there is a need for an interpreter to communicate effectively with a member. An interpreter may be a staff member or an external interpreter.

All external interpreters must be bound by the Australian Institute of Interpreters and Translators (AUSiT) Code of Conduct.

Fund staff will receive training if they are likely to be involved in communications requiring an interpreter.

The Fund will provide a direct link on the website to information on interpreting services and any other relevant information for non-English speakers, including any insurance information that has been translated into other languages.

The Fund will consider the most cost-effective way of providing interpreter services to members. Members requiring interpreter services should not be financially disadvantaged.

7.2.2 Translations

Funds will conduct member research to find out which languages their members need to read the information in. Translations should be written in plain English first so that it is easier to translate and read once translated.

Best practice is to use a NAATI-accredited translator and have another accredited translator check the translation.

Specific attention should be paid to insurance specific factsheets being translated into languages used by significant cohorts of fund membership.

7.3 LGBTQIA+, biological sex and gender identity

For member-facing staff, training and awareness is key. Members of funds should have the ability to have their gender identity recorded accurately and be communicated with accordingly. No assumptions should be made by member-facing staff as to the gender or gender identity of a member or a member's partner or spouse.

Strategies should be developed to include members that have differing gender identities and intersex traits.

7.4 Identification & KYC

Reasonable measures should be taken to assist members with meeting their verification requirements while ensuring that the flexible approach to verification and identification is in line with AUSTRAC guidance and is still compliant with the Fund's obligations under the law. Longer timeframes should be given to vulnerable members that are having difficulty providing documentation.

7.5 Aboriginal and Torres Strait Islander peoples

Funds should consider adopting the FSC Standard No. 22 Cultural Capability in Native Title Services. This standard encourages good practice in the provision of tailored, culturally appropriate financial services to assist Communities to achieve their goals and aspirations. This standard

recommends a partnership model that recognises Communities' diverse governance structures, cultural practices, social circumstances and languages.

All funds need to move towards the implementation of a Reconciliation Action Plan (RAP) to support the national reconciliation movement. A RAP will outline the many ways an organisation can support its Aboriginal and Torres Strait Islander employees and members.

An acknowledgement of country is an opportunity to acknowledge and pay respect to the Traditional Owners and ongoing custodians of the land – the Aboriginal and Torres Strait Islander people. The acknowledgement could be considered for inclusion on websites and printed material as well as at speaking engagements.

We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.

7.6 Age & frailty

An important key for dealing with older people is to avoid stereotypes. In the SA Government's 'A Practical Guide to Effective Engagement with Older People' the most common stereotypes are listed as:

- Most older people live in institutions.
- Retirement is less difficult for women than it is for men.
- Dementia, sickness and disability is to be expected or comes with old age.
- Older workers are less productive than younger workers.
- Older people cannot learn, are set in their ways, unable to change.
- Older people are weak, helpless, sweet, kind, at peace with the world.
- Older people are boring, forgetful, unproductive, grouchy and cantankerous.
- Old age begins at 60.
- Older people are past being consulted about anything – even their own lives.
- The majority of older people see themselves as being in poor health, are lonely, and isolated from families/friends.

The guidelines recommend that staff treat everyone as an individual, encourage staff to assess how age stereotypes may impact their views and encourage others around them to reject age stereotypes.

To protect elderly members that may be vulnerable, it is important to ensure that staff have training regarding elder abuse and escalation strategies if they suspect elder abuse is occurring.

7.7 Injury or illness

Members may at times be unable to engage with the fund and insurer due to a significant injury or illness. A significant injury or illness may require the member to be hospitalised or may mean they are unresponsive for a period. A member may nominate a third party to liaise with the fund and insurer on their behalf if they are incapacitated. All member fund staff should discuss the third-party authorisation with members and their proposed representatives in these instances.

If a member is incapacitated or unable to engage with the fund and insurer, the member may appoint or have appointed a general or enduring power of attorney. Refer to section 8 of this document for more information on third party providers.

Not all injuries and illnesses will preclude the member from engaging with the fund or insurer. It may be difficult to recognise the types of injuries or illnesses that may prevent a member from engaging with the fund or insurer. At all times fund staff should be respectful of the members condition and support the member as best they can. However, extra support does not need to be provided if the member does not meet the vulnerability criteria.

7.8 Mental Health

All member facing superannuation fund staff should receive mental health training. The purpose of the standard is to ensure individual receive an appropriate level of education and training in relation to 'mental health' awareness.

7.8.1 Suicide

All mentions of self-harm or suicide must be treated seriously and escalated accordingly. All staff need training to respond to threats of harm to self or others. If a member is actively suicidal, emergency services can be called. In a situation where there is evidence that a member is going to harm themselves or others, their confidentiality is placed secondary to their safety. Funds need to have escalation procedures in place for threats of self-harm, suicide and threats to others.

Debriefing and extra support should be made available for staff that working in call centres, claims assessment teams and complaints teams due to the nature and content of the interactions with members.

7.9 Family violence

If a staff member is made aware that a member is a target of family violence, the member's safety must always be prioritised. The member's privacy should be protected with vigilance and third-party authority procedures should be followed rigorously.

A family violence escalation procedure should be developed by funds and staff trained accordingly.

7.10 Natural Disasters/Catastrophe

Member facing staff need to receive training for procedures following a catastrophe and/ or natural disaster as declared by the Insurance Council of Australia. This includes business continuity training and include the consideration that the disaster may also affect the member-facing staff.

Training should include how to refer members to practical support in addition to mental health support if necessary.

7.11 Case Management

ASIC has previously recommended that a dedicated case management team deal specifically with members with unique needs. ASIC found that the case manager was able to attend to urgent requests that couldn't be addressed within normal processing timeframes. They could also coordinate access to different products and services that addressed the complex needs of vulnerable consumers. ASIC found that the provision of a case management service facilitated empathetic and informed conversations, which minimised consumer effort and stress when navigating complex financial products and services.

This guidance note suggests that Funds consider whether the provision of a dedicated case management service is practical and meets the needs of members' best interest.

A possible approach is to leverage the case management model that is already used by insurance claims teams. This is where a member is assigned one point of contact for the duration of their enquiry or claim. Vulnerable members could be preferentially assigned to more senior members of the claims, complaints or contact centre team.

Whatever model is adopted, it is important to note that research has identified that it is the rapport-building ability and care demonstrated by individuals that reduces distress and complaints in individuals in times of stress and vulnerability. Additionally, in the face of errors, complaints and lawsuits drop significantly when practitioners:

- Advise clients of the error
- Let them know how the error happened
- What will be done to make the error less likely in the future
- Apologise for the error

- Offer remediation when applicable.

8. Third Party Authorisation

Funds must be aware of subcontracting by third parties any services they are contracted to perform as part of their service to a fund.

Third parties should inform their fund of any subcontracting undertaken as part of their service to a fund.

Third-party providers authorised by vulnerable members to act for them include the National Relay Service, Translating and Interpreting Service, Powers of Attorney, legal agents, advisers or state trustees. These providers are to be managed in line with the Fund's Privacy and Confidentiality policy obligations.

9. Training

9.1 Funds need to ensure their staff have the appropriate education and training to provide their services competently and to deal with vulnerable members proactively and professionally. This includes empathy training, and cultural awareness training, on how to identify vulnerable members and training for staff who can provide specialist support.

9.2 Funds should ensure their staff and service providers have access to up-to-date community resources to support our members, such as:

Name	Contact details
Welfare Rights Centre	https://welfarerightscentre.org.au/
National Relay Service	https://www.communications.gov.au/
Lifeline	https://www.lifeline.org.au/
Translating and Interpreting Service (TIS National)	https://www.tisnational.gov.au/
National Debt helpline	https://ndh.org.au/
Gamblers help	https://gamblershelp.com.au/
Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)	https://aiatsis.gov.au/
beyondblue	https://www.beyondblue.org.au/
Black Dog Institute	https://www.blackdoginstitute.org.au/
Centre for Mental Health Education	https://cmhe.com.au/
Mental Health at Work	https://www.mhatwork.com.au/
Mental Health Council of Australia	https://mhaustralia.org/
Mind Matters	https://beyou.edu.au/
SANE Australia	https://www.sane.org/
SuperFriend	https://superfriend.com.au/

10. Complaints

Funds should ensure vulnerable members have reasonable and equitable access to the complaints process, with consideration to any specific category, as referenced in this policy.

This includes the decisions or conduct of any of our service providers.

All members need to be able to submit a complaint or raise dissatisfaction, receive ongoing updates about the management of the complaint raised and receive support on any final dispute resolution.

Funds should ensure that they have a proactive and innovative approach to promoting awareness regarding our Internal Dispute Resolution process.