

Banking Code Compliance Committee

Independent Review of Activities – Terms of Reference

Background

The Banking Code Compliance Committee (BCCC) is an independent body established under the Banking Code of Practice (Banking Code) and governed by its Charter.

Clause 14.1 of the Charter requires the BCCC to arrange a periodic review of its activities coinciding with the periodic review of the Banking Code.

Consistent with this requirement, this review will be undertaken concurrently with the independent review of the Banking Code.

The BCCC recognises there will be value in the reviewer engaging with, or having regard to, relevant observations arising through the Banking Code review process where these relate to the operation of the BCCC. However, this review is distinct from the review of the Banking Code, its policy settings or Code obligations.

The review is intended to support continuous improvement and ensure the BCCC remains well positioned to continue delivering its role as an independent monitoring body.

The review will be conducted independently of the BCCC and supported by an independent secretariat appointed by the reviewer.

Scope of the Review

The reviewer will consider:

1. Whether the BCCC's role, functions and powers under the Charter remain appropriate and fit for purpose in the current operating environment.
2. The extent to which the BCCC is effectively delivering its role and functions, including through:
 - monitoring compliance with the Banking Code;
 - identifying and responding to serious or systemic issues;
 - undertaking inquiries, investigations and reviews;
 - issuing findings, guidance and sanctions where appropriate; and
 - contributing to improved Code compliance outcomes.
3. Whether current governance arrangements appropriately support:
 - the independence and integrity of the BCCC;
 - effective and transparent decision-making;
 - accountability; and
 - stakeholder confidence.
4. Whether resourcing remains adequate for the BCCC to fulfil its functions.
5. The adequacy of the BCCC's Small Business and Agribusiness Advisory Panel's (Panel) Terms of Reference and the extent to which the Panel assists the BCCC to meet its purpose with regard to small business and agribusiness matters.

6. Whether the BCCC's operating model, capability, and resourcing remain appropriate to effectively deliver the functions and activities contemplated by the Code and Charter.

The review will not review the Banking Code of Practice.

Approach

The review will include a public consultation process, and submissions will be invited from any interested person or organisation.

In undertaking the Review, the reviewer should have regard to:

- the role, functions and expectations of the BCCC as set out in the Charter; and
- relevant regulatory expectations relating to code administration and independent monitoring, including ASIC Regulatory Guide 183.

The reviewer may:

- review BCCC publications, reporting and governance materials;
- consider available compliance and operational information;
- engage with current and former BCCC Members;
- engage with the Code Secretariat Team; and
- consult with stakeholders including subscribing banks, consumer representatives, AFCA, regulators and other interested parties.

The reviewer will determine the detailed methodology and will be supported by an independent secretariat, which will assist in coordinating consultations, managing submissions, arranging stakeholder engagement, and supporting the preparation of review materials. The independent secretariat will operate at the direction of the reviewer.

Deliverables and Timing

The reviewer will prepare:

- a consultation paper; and
- a final report setting out findings and recommendations.

Recommendations should be practical, proportionate and directed to strengthening the effectiveness and operation of the BCCC.

The review will commence in September 2026 and conclude in June 2027.

The final report will be published by the BCCC.

The BCCC will consider the findings and recommendations and publish a response that outlines any proposed actions.

Independence and Administration

The reviewer must not have any actual, potential or perceived conflict of interest that could reasonably affect the conduct of the review or stakeholder confidence in its outcomes.

The review will be commissioned by the BCCC and conducted independently by the reviewer. The reviewer will be supported by an independent secretariat appointed for the purposes of the review.

The independent secretariat will be responsible for managing stakeholder engagement, coordinating public consultation, receiving submissions, and providing administrative support to the reviewer. The independent secretariat will act independently of the BCCC Secretariat in carrying out these functions.