LEVERAGING DATA FOR ENHANCED SUPERANNUATION MEMBER OUTCOMES

AN OVERVIEW OF APRA'S SDT PROJECT

BACKGROUND

The superannuation landscape is currently undergoing significant transformation, prompting a comprehensive review.

Key factors such as data, technology, and digital capabilities have gained prominence as avenues for improving member outcomes, adapting to regulatory changes, meeting member expectations, and ensuring organisational sustainability.

At the forefront of this transformation is the Superannuation Data Transformation project (SDT), initiated by the Australian Prudential Regulation Authority (APRA).

This multiyear project aims to enable regulatory oversight and enhance transparency across the industry, ultimately leading to improved outcomes for superannuation fund members.

THE CHALLENGE

The main data-related challenges the industry have highlighted in their submissions to APRA's SDT project include the time and effort required for implementing new reporting processes, maintaining overlapping reports and in particular transitioning from a tactical manual solution to a strategic one.

These changes are expected to require significant investment and potentially the involvement of multiple stakeholders across the business where internal resources are already constrained.

Organisations need to rapidly transition to a final reporting state that not only complies with regulatory demands but also harnesses automation to reduce continuous effort. This approach will free up resources for member-focused initiatives that will sustain funds in the long term.
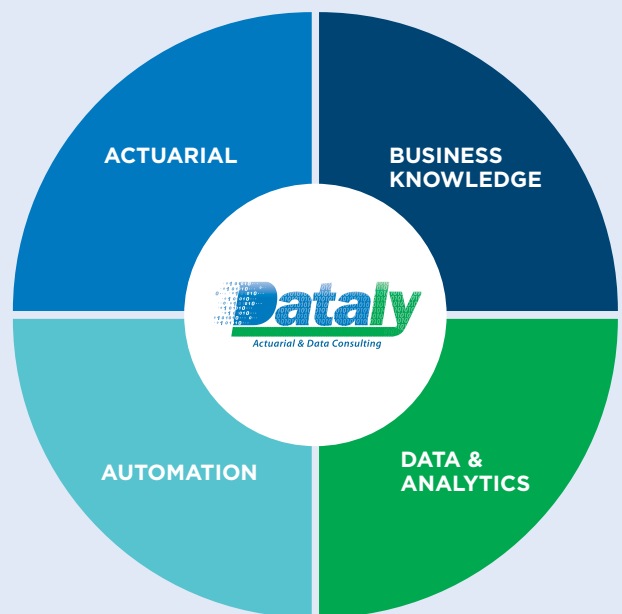
HOW CAN DATALY HELP?

Dataly actuarial possesses extensive expertise in data and regulatory reporting projects. We are able to provide valuable support to super funds and administrators to achieve their outcomes.

Whether tackling immediate concerns or strategising for long-term goals, our project-focused approach, can assist effectively.

We offer comprehensive support throughout the entire project lifecycle, from design to implementation, automation, and staff training.

With our proficiency in data management, analytics, automation, and financial services reporting, we ensure seamless project execution and deliver lasting impact.

ACTUARIAL

BUSINESS KNOWLEDGE

AUTOMATION

DATA & ANALYTICS

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WHAT IS CHANGING: SDT STATUS PHASE 1 AND PHASE 2

SDT has expanded APRA's data collection through new reporting requirements.
The main changes from SDT as of February 2024 are summarised in the table below.

REPORTING STANDARD	PHASE 1 FINAL RELEASE MAY-23	PHASE 2 SUBJECT TO CONSULTATION FEEDBACK DUE MAR-24
SRS 101.0 Definitions	New	Amendments proposed
SRS 251.0 Insurance	New	Amendments proposed
SRS 332.0 Expenses	New	Amendments proposed
SRS 550.0 Asset Allocation	New	Amendments proposed
SRS 605.0 RSE Structure	New	Amendments proposed
SRS 606.0 RSE Profile	New	Amendments proposed
SRS 611.0 Member Accounts	New*	
SRS 705.0 Components of Net Return	New	
SRS 705.1 Investment Performance and Objectives	New	
SRS 706.0 Fees and Costs	New	
SRS 340.0 RSE Licensee Financial Statements		New SRS proposed
SRS 551.0 Liquidity		New SRS proposed
SRS 552.0 Securities Subject to Repurchase and Resale and		New SRS proposed
SRS 553.0 Investment Exposure Concentrations and Valuations		New SRS proposed
SRS 604.0 RSE Licensee Profile		New SRS proposed
SRS 607.0 RSE Business Model		New SRS proposed

Released Sept 21. For more information on STD updates please visit: Phase 2 Depth | APRA

While the introduction of new reporting standards and proposed amendments increase the depth and granularity of data collection, some will replace existing tables or even entire reporting standards from the Pre-SDT collection.

APRA has proposed a parallel reporting period to ensure quality assessment.
Once this is deemed sufficient, they will confirm any exceptions and discontinuations.

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HOW WILL THESE CHANGES IMPACT THE INDUSTRY?

Superannuation Industry have been working on the delivery of these new reporting standards, which impacts data systems, data processes and data validations to comply. But can the outcome of these data-related changes provide insights to achieve better outcomes for the members?

Here are some benefits found:

Tailored Retirement Products
Development of innovative retirement products customised to meet the unique needs of members.

Optimal Insurance Coverage
Ensure appropriate insurance coverage to protect against unforeseen events, minimising the risk of depleting savings unnecessarily.

Personalised Member Communication
Enhance communication based on members' evolving circumstances and preferences, providing updates and relevant information about their accounts.

Proactive oversight of member service
Utilizing available data to proactively monitor the services and outcomes of third-party providers, ensuring high-quality services, proactive resolution of complaints and support for members.

Enhanced Digital Experience
Improve the digital service experience, making it easier to access account information, perform transactions, and engage the fund online.

Enhanced Member's Security
Identify and mitigate risks more effectively through advanced data analytics and risk assessment techniques, safeguarding members' interests, and investments.

Customised Financial Education
Tailor financial education and guidance to meet the specific needs and goals of members, empowering them to make informed decisions about their finances.

Member-Centric Operations
Improve operational efficiency to reduce costs and enable internal staff to better focus on strategic initiatives for member needs, optimizing resource allocation and enhance overall organizational performance.

While it is true that many companies possess expertise to enhance their data and analytics capabilities, constraints on resources and concerns over time to delivery and risk of disruption can pose significant challenges.

In those scenarios, Dataly Actuarial is ready to support.

CONTACT US

Mariana Fernandez Cedillo
Principal Consultant
mfernandezcedillo@dataly.com.au

Sammy Liu
Managing Director
sliu@dataly.com.au

Matthew Buckle
Associate Director
mbuckle@dataly.com.au

www.datalyactuarial.com

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Actuarial & Data Consulting