

Policy on Consumer Representation

Preamble

As the peak body for consumer groups, from time to time, the CFA is asked to nominate consumer representatives to various government and industry decision-making and advisory bodies. We strongly support the inclusion of consumer representatives on such bodies and are pleased to be involved in making nominations.

However, as an unfunded organisation, the CFA's ability to resource the nomination process is sometimes limited. These limitations range from a lack of financial resources, such as the inability to fund phone links to discuss nomination processes, to time constraints, given that the executive of the CFA are all volunteers.

This policy is drafted with these resource limitations in mind.

Principles for the Appointment of Consumer Representatives

The CFA notes that the Commonwealth Consumer Affairs Advisory Council has released a set of draft principles to guide organisations in appointing consumer representatives. The CFA supports these principles and recommends that organisations requiring consumer representatives abide by them.

The CFA urges the Commonwealth Government to formalise the principles and release a final version that incorporates the result of consultation undertaken by the Council.

Nominations Coordinator

One member of CFA Executive will be the Nominations Coordinator. This person's role will be to:

- coordinate any requests for consumer representatives received by CFA and generally act as the focus point for nominations; and
- recommend an appropriate nomination process for CFA Executive to follow depending on the circumstances.

Nomination Processes

Given CFA's resource constraints, a flexible approach for nominations is the only workable solution. The Nominations Coordinator may recommend a range of approaches for consideration by the Executive. The following list is a guide to the approach that could be taken, depending on the circumstances.

- Where an entity seeking consumer representatives has an acceptable, internal selection process itself (for example, consistent with the draft guidelines from the Commonwealth Consumer Affairs Advisory Council) the CFA will advertise the existence of the position within its network and call for nominations.

Applicants must state in their applications that they will be prepared to sign the CFA's Representative Agreement (Appendix 1) should they be appointed.

The applications of all people meeting these criteria will be forwarded to the entity seeking the nomination, without further screening or specific recommendation.

This is likely to be the process followed for some of the large EDR schemes.

- Where an entity does not have an acceptable internal selection process, CFA will advertise the position within its network and call for nominations. CFA will set up a three-person nominations committee to assess nominations. This specific approach is described in Appendix 2;
- The CFA may endorse the nomination of another like-minded organisation, rather than activate its own internal processes;

- The CFA may endorse the re-appointment of an existing representative. This may occur for example, where the representative has particular expertise, and/or a track record and/or where there will be no other candidates with this expertise.
- Other processes as the Executive sees fit, appropriate to the circumstances.

The guiding principle is for the CFA Executive to take a common sense approach to nominations. This approach must strike an appropriate balance between a fair process, the need for high quality consumer representation and the resource limitations of the organisation.

Transparency

The CFA, through the Nominations Coordinator, will document the process used in relation to specific consumer representative appointments in the CFA newsletter.

Representatives' Agreement

A Representative's Agreement is attached as Appendix 1. All applicants will be required to indicate whether they are willing to enter into the Agreement. Applicants who are not prepared to sign the Representatives Agreement will not be nominated.

Conflict of Interest Rule

In the event that an Executive member seeks to be nominated as a CFA endorsed consumer representative, that member shall not be involved in any part of a selection process. An individual in this position, should notify the Nominations Coordinator immediately.

Communication with Applicants

Communication with applicants, either verbally or in writing, will only be undertaken by the CFA Nominations Coordinator. No member of the CFA Executive will communicate with applicants at all, other than if conducting an interview as part of a selection process.

A standard email (or letter) from the Nominations Coordinator of CFA will advise successful and unsuccessful applicants.

Communication with the Entity to which a Nomination is Made

Communication with an entity seeking a nomination will be from either the Chairperson or Nominations Coordinator as appropriate.

Privacy

All personal information provided to the CFA by applicants seeking nomination as a CFA endorsed consumer representative to an entity will be used for the purposes of determining that nomination. It will not be added to a mailing list for any other purpose nor will it be used or disclosed for any other purpose without the consent of the applicant who provided the information except as required by law (such as subpoena or warrant).

APPENDIX 1 – CFA REPRESENTATIVES AGREEMENT

This agreement is between:

(name of representative) (*the “representative”*); and

the Consumers’ Federation of Australia Inc. (*the “CFA”*) a body incorporated in the Australian Capital Territory.

The agreement sets out the broad principles to which an individual, nominated as a CFA endorsed consumer representative to a government or industry decision-making or advisory body (*the entity*), agrees to be bound.

Reporting

The nominee agrees to report back to the CFA membership on relevant issues within the body to which they have been nominated. Reporting may be:

- by written reports in CFA newsletters. The frequency of such contributions will depend on the issues involved in the entity, however, as a general rule, a report in each newsletter would be expected;
- as directed from time to time by the CFA Executive. The Executive may set out the topics on which reporting is required and the form the reporting should take;
- oral presentations at conferences or similar events;
- other mechanisms as appropriate.

Consultation

The consumer representative will consult with CFA members as appropriate on matters relevant to their role on the entity. There are a variety of consultation mechanisms that could be used, including email, survey, face-to-face meetings and so on. The consumer representative will exercise their judgement about the appropriate mechanism.

However, the consumer representative may be directed by the CFA executive to undertake consultation on specific issues if necessary. Such direction will be in writing and set out the matters concerned, the form of consultation and reporting mechanisms.

Links and Involvement with Consumer Organisations

As a CFA endorsed consumer representative, the representative will maintain ongoing links with relevant consumer organisations.

Confidentiality of Information

As a matter of principle, consumer representatives should of course respect any confidentiality requirements imposed by their position on an entity.

However, “confidentiality” should not be used inappropriately, for example, as a mechanism for stifling discussion or avoiding consultation.

Conflict of Interest

Should the consumer representative, subsequent to their appointment, find themselves in a conflict of interest (either self-identified or identified by the Executive of CFA) they will seek guidance from the CFA Executive about how to deal with that conflict.

There may be circumstances where the conflict is of a nature that requires resignation (for example, the individual’s employment places them in a different position that may conflict with the role of consumer representative).

Termination

Should a representative not comply with this agreement, the CFA Executive may remove their endorsement. The representative should resign from the entity in these circumstances.

Signed _____ Date _____
(name of representative)

Signed _____ Date _____
(on behalf of CFA)

APPENDIX 2 – CFA NOMINATIONS COMMITTEE PROCESS

Where an entity does not have an adequate and acceptable internal selection process, CFA will advertise the position within its network and call for a nominations. CFA will set up a three-person nominations committee to assess nominations. This Appendix describes this process.

Membership of the Sub-committee

The CFA will set up a three person Nominations Sub-committee, all of whom are members of the Executive.

The Chairperson of CFA shall not be a member of the Sub-committee.

Sub-committee membership is limited to one year, including membership that consists of one year of cumulative service, in any three year period.

Any Sub-committee member wishing to apply for nomination as a CFA endorsed consumer representative shall inform the Sub-Committee of that intention and shall stand down from the Sub-committee from the date of calling for such nomination to the date the relevant Scheme is informed of the nomination.

Nomination Process

Applications from persons wishing to be nominated as a CFA endorsed consumer representative to a Scheme shall be called for by the Nominations Coordinator, who will publish the selection criteria and the closing date for applications.

Applications are to be directed to the Nominations Coordinator.

The Nominations Coordinator will forward applications to the Sub-committee.

The Sub-committee will consider applications for nomination of consumer representatives to determine which applicant or applicants it considers best satisfies the selection criteria.

The Sub-committee will advise the Nominations Coordinator which applicant or applicants the Sub-committee recommends be nominated.

The Nominations Coordinator will inform the CFA Executive of the Sub-Committee's recommendation (subject to the Conflict of Interest Rules) by email (or otherwise) and request that the Nominations Coordinator be informed within a designated timeframe of any objection by an Executive member to that recommendation.

In the event that no objection is received by the Nominations Coordinator, the Sub-Committee's recommendation will be deemed to be a decision of the Executive. In this case, the Nominations Coordinator will promptly inform the Scheme, successful applicant or applicants, and unsuccessful applicants of the decision, in accordance with the communication provisions of this policy.

In the event that an Executive member objects to the Sub-Committee's recommendation, that member will convey the grounds for objection to the Nominations Coordinator, who will convene a special sitting of the Executive to resolve the objection. A simple majority of a quorate Executive will be sufficient to resolve an objection.

Selection criteria

The Sub-committee will take into account the following selection criteria when considering applications from persons wishing to be nominated as a CFA endorsed consumer representative. (“applicants”).

- Expertise in the jurisdiction of the Scheme for which representation is sought.
- Established links with the organised consumer movement.
- Willingness and capacity as a representative, to consult with and report back to CFA and relevant consumer, community and welfare organisations and networks on a regular basis.
- Proven capacity to undertake consultation and report back functions.
- Understanding of industry codes and Alternative Dispute Resolution schemes, their role and operation.
- Willingness to promote Department of Industry Science and Technology (DIST) Benchmarks and CFA policies in relation to industry self-regulation and Alternative Dispute Resolution schemes.
- Willingness to enter into the CFA "Representatives' Agreement".
- The desirability of ensuring significant representation on schemes by women, people from a non-English speaking background, people with a disability, people from remote/rural areas and Aboriginal and Torres Strait Islanders.
- Other criteria published by the Scheme under consideration.

