



ASIC
Australian Securities &
Investments Commission

Committee	Parliamentary Joint Committee on Corporations and Financial Services
Inquiry	Oversight of ASIC, the Takeovers Panel and the Corporations Legislation
Question No.	001
Date	7 October 2022
Topic	Handling of misconduct reports
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Committee member	Senator Andrew Bragg

Questions

Handling of misconduct reports

- a. According to recent analysis, in FY 20-21, approximately 48% of reports of alleged misconduct from the Australian people resulted in NFA (no further action) due to a lack of evidence, however ASIC does not publicly articulate how much evidence is required? Are you able to expand on why this is?
- b. Is it general practice for ASIC not to engage with members of the general public when a report of alleged misconduct has been lodged?
- c. Does ASIC consider it to be a healthy practice to allow for sophisticated reports of misconduct to be presented to ASIC staff during the assessment phase/process?
- d. When was the last time that ASIC's handling of reports of alleged misconduct was subjected to either an internal or external review? If such a review occurred, by who and what were the conclusions of the review?
 - i. Is there any reports of any reviews which can be reviewed?
 - ii. Has anyone at ASIC done any longitudinal analysis of what ASIC handles and manages reports of alleged misconduct?

Answers

Question a.

Information on how to provide a report and material to ASIC, together with guidance on matters that are not within ASIC's jurisdiction, is on ASIC's website: [How to complain | ASIC](#).

Question b.

The level of engagement ASIC has with reporters of misconduct (ROMs) is determined by the priority and regulatory risk level allocated to the report.

Question c.

Reporters of misconduct determine what information is provided. Reporters often provide extensive information to ASIC.

Question d.

The most recent relevant external review was the report by the Senate Economics References Committee into the [Performance of the Australian Securities and Investments Commission](#) (final report dated 26 June 2014).

ASIC's Internal Audit team has completed two audits since 2019 relevant to the ROM handling process. Both these reports are internal and confidential.

In 2017 ASIC changed its internal case workflow management system to a Customer Relationship Management (CRM) system that allows any team or user in ASIC to create real-time dashboards that can show customised views or graphs of current ROMs. ASIC uses its internal case workflow system for real-time oversight of the age of matters and progress of assessments to ensure appropriate management of the volume of contacts and reports that ASIC receives. Analysis of ROMs received, and their outcomes occurs on a quarterly basis for internal reporting purposes, and is reported on publicly in ASIC's Annual Report.