



# Professional Standards Scheme public consultation document

## **The Australian Computer Society Inc**

### What is the Australian Computer Society (ACS)?

The Australian Computer Society (ACS) is not-for-profit membership body of over 40,000 information and communication technology (ICT) professionals, and has been established for over 50 years. The ACS has a positive impact far beyond the scope of its membership, and strives to improve Australian ICT capability for everybody's benefit.

The ACS is governed by elected members and is run by a team of staff from offices around Australia.

The ACS:

- Researches and fosters digital capability and innovation in the public interest
- Helps employers develop their ICT workforce capability
- Sets ethical standards for ICT professionals
- Provides training and information to keep ICT professionals up to date
- Assesses and certifies individual ICT professionals
- Assesses migrant ICT professionals on authority of the Australian Government
- Accredits ICT higher education courses, ensuring they meet current industry needs

The ACS embraces all those in the ICT sector, and distinguishes capability levels, job roles and specialisms with the globally recognized SFIA (Skills for the Information Age) capability framework. The ACS assists employers with ICT workforce planning and development, and has undertaken skills assessments of over 150,000 ICT professionals. Over 300 organisations representing government, business, industries, research and academic institutions have a Professional Partnership Program (PPP) with ACS. In this and other ways, ACS is helping to lift the overall capability, aspiration and professionalism of our ICT workforce.

For individuals who demonstrate threshold competencies, ACS offers assessment and recognition as Certified Professional (CP) or Certified Technologist (CT). ACS has over 1500 CP members. ACS has also developed specialist certifications in Cyber Security and Safety Critical Systems to meet emerging community and workplace needs.

ACS is a key ICT thought leader, reaching government, the business community and the general public through multiple media initiatives and channels. ACS funds and disseminates special reports and independent white papers on topics such as Australia's international ICT competitiveness, cybersecurity, data sharing frameworks, smart cities and jobs of the future.

### Who are ACS members?

Australia's ICT workforce is over 660,000 and forecast to rise by almost 100,000 by 2023. A growing demand for ICT skills by Australian employers continues to outstrip the supply of local graduates, but ICT skills are portable. Skilled migration fills the gap and furthers global knowledge interchange. About two-thirds are in technical, professional, management and operational roles, and may possess a range of technical and non-technical skills according to job role.

Digital capability is key to productivity, international competitiveness and economic growth. Industries, governments and the public are increasingly exposed to ICT opportunities, challenges and



threats. There is a clear need for qualified and trusted professionals to provide expert advice and leadership. ICT professionals are not regulated by governments, but ACS members are leading the way in promoting a self-regulated professional culture.

Deloitte Access Economics (*ACS Australia's Digital Pulse 2018*) has found Australia's ICT performance to be "relatively 'middle of the pack' compared with other developed countries". Performance parameters included measures of ICT workforce skills. To become a high performer, it can be expected that Australia will need a high performing and aspirational ICT workforce.

ACS members may be found within small and large organisations, across all industries and sectors. They may support ICT functions within an organization, or provide external ICT services. They may be engaged in creating or improving ICT systems, enabling business operations, management, client interface, research or education. Many ACS members have ICT degree qualifications, while others are assessed for professional capabilities developed through experience and ongoing education.

## The Scheme

### What is the Australian Computer Society Professional Standards Scheme?

A Professional Standards Scheme is a legal agreement that obliges the association (ACS) to monitor, enforce and improve the professional standards of members under the Scheme, reducing risk for consumers of professional services. In recognition, the Professional Standards Authority caps the civil liability or damages that professionals under the scheme may incur if a court upholds a claim against them.

Professional standards regulated by the ACS Scheme include:

- Education and professional experience thresholds
- Continuing occupational education requirements and audit
- Consumer risk management
- Ethical codes
- Complaint and disciplinary systems
- Insurance requirements and standards

The Scheme is constituted by a brief legal document known as the Scheme Instrument which sets out the details of the scheme's scope, jurisdiction, duration and limitation of liability. This document may be considered by a court in the event of a claim.

The scheme is monitored and reviewed on an ongoing basis by the ACS and Professional Standards Councils. Future changes in claims history and consumer risk will result in adaptation of controls and requirements of members under the scheme, and adjustments to liability caps.

Insurance markets tend to be cyclical and many professional communities have had times of crisis in accessing insurance. Demonstrable professional standards and liability caps help to ensure that a professional community remains attractive to insurers despite insurance market cycles, and scheme compliance systems ensure individuals carry suitable PI cover. This is good for professionals and good for consumers.

### Who administers the Scheme?

The ACS Management Committee (Board equivalent) governs the ACS Professional Standards Scheme, and receives expert advice from the Profession Advisory Board (PAB) in relation to benchmarks for evolving professional standards and continuous improvement opportunities. The ACS



executive and staff administer the Scheme. The Director Professional Standards and Assessment Services has executive and operational responsibility for the ACS Scheme.

The government-appointed Professional Standards Councils consider and approve Scheme proposals. The Scheme association (ACS) provides a five-year plan and annual reports demonstrating Scheme implementation and ongoing improvements in professional standards.

#### How long has ACS administered a Scheme?

ACS has had an accredited Professional Standards Scheme under professional standards legislation since 2010. ACS is applying to renew accreditation of the Australian Computer Society Incorporated (ACS) Professional Standards Scheme for a further 5 years once the current extension to the existing scheme expires on 31 December 2018.

#### Where does the Scheme operate?

The ACS scheme operates in all Australian states and territories. The ACS scheme is constituted under New South Wales legislation and recognized in other Australian states and territories under mutual recognition provisions of respective professional standards legislation.

#### What types of work will the scheme cover?

The ACS Scheme will cover ICT professional services performed for clients and customers by practitioners on an independent basis, or on behalf of an employer.

Professional Standards Schemes are not directed at internal services within an organization, at academic practice or education, or at services provided by government. Those who practice solely in such areas may be eligible for exemption from a Scheme.

The liability limited by a scheme is intended to apply to civil liability arising from anything done or omitted by a scheme member in acting in the performance of their occupation. The scheme is not intended for damages arising from death or personal injury to a person, breach of trust, fraud or dishonesty.

#### When will the Scheme commence?

A new ACS Professional Standards Scheme is proposed for commencement in all Australian states and territories on 1 January 2019.

#### Who will the Scheme be available to?

ACS Scheme membership and compliance will be mandatory for Certified Professional (CP) members of ACS, and available only to CP members. Over 1500 CP members are expected to join the scheme.

The Scheme will be available only to CP members who meet the requirements of the Scheme, including the Professional Indemnity (PI) insurance requirements. Scheme members may rely on individual or corporate (employer) PI insurance cover.

#### Who will the Scheme not apply to?

The ACS Scheme will only be available to CP members of the ACS. The Scheme will not be available to other ACS member grades.

CP members who provide internal services only within an organization, are employed by government or are solely in academic practice may be eligible to apply for an exemption from the scheme. CP members are however all encouraged to remain in the Scheme as an individual's work status can change, and the ACS provides all members with a level of Professional Indemnity insurance cover.



## Operation of the Scheme

How is the level of limited liability of participating ACS members determined?

The level of limited liability for a Professional Standards Scheme is generally proposed and approved at a level to accommodate the normal range of claims. A cap should be set at a level to encompass historic claims, other than perhaps occasional extreme outlier claims, adjusting for any clear drivers of change to the risk profile. This is generally justified by historic claims data and actuarial analysis. Schemes may be approved for five years, at which time caps are reviewed and adjusted.

At present, PI claims against ICT professionals are rare and modest, and present a benign risk profile for insurers. The claims history does not present data that can be usefully analysed to justify adopting a particular level of liability.

A liability cap of \$1.5M has applied to the existing ACS Scheme. This is at base or entry level in terms of the range of caps applying to other Professional Standards Schemes. In recognition of a lack of claims history and a potential for greater professional recognition to be accompanied by greater accountability, it is proposed that a liability cap of \$2.0M be adopted for the new ACS Scheme.

How will consumers know if an ACS member is a participant in the Scheme?

The ACS is required to maintain and publish a public register of Scheme members, and will respond to public enquiries regarding Scheme member status.

The ACS will promote Scheme awareness across its sphere of influence, beyond the ACS membership.

How long will the Scheme operate?

It is proposed that the ACS Professional Standards Scheme will operate from 1 January 2019 to 31 December 2023.

## Benefits of the Scheme

How will consumers benefit from the Scheme?

A key benefit of the Scheme is that it recognises ACS Certified Professional (CP) members as professionals with a commitment to an ethical code and maintaining technical competence and professional skills. This may be increasingly important with the growing profile of business and consumer risk in the digital environment, and the erosion of public trust in experts.

Consumers who engage ICT professional services may directly benefit from the public register of individuals who meet requisite professional standards, and from the reassurance of regulatory oversight by the Professional Standards Councils.

In addition, the Scheme ensures the safety net of Professional Indemnity (PI) insurance. At present, PI claims against ICT professionals are rare, PI insurance is readily accessible to ICT professionals and there is little reliance on PI insurance as a remedy when things go wrong. The ICT environment is however in rapid evolution and the risk profile of ICT professional services may change.

PI insurance protects both the professional service providers and the recipients of ICT services. The ACS advocates universal PI coverage of ICT professionals in everybody's interest and sees the Scheme as key to raising awareness and uptake, and ensuring ongoing access to PI insurance.

How does the Scheme enhance the professional standards of ACS members?

A Professional Standards Scheme adds credibility to ACS certifications and professional standards, and adds weight to the ACS message of professionalism across the ICT sector. Everybody is an indirect



consumer of ICT professional services, and all consumers benefit from ICT professional standards rising over time.

The ACS Scheme is subject to ongoing scrutiny by the Professional Standards Councils, and enhances the professional standards of ACS members by:

- Requiring ongoing review of entry requirements and assessment processes
- Ensuring suitable standards of education and professional experience are applied
- Ensuring the ACS audits and enforces continuing occupational education obligations
- Ensuring the ACS addresses consumer risk in its education and information
- Ensuring the ACS maintains and promotes its ethical codes
- Ensuring the ACS maintains strong complaint and disciplinary systems
- Ensuring members maintain suitable insurance cover in the public interest

#### How does limiting participant liability help consumers?

Professional Standards Schemes are designed to ensure ongoing access to PI insurance by an occupational group. Insurance markets are cyclical and there have been times when insurers have actively reduced their exposure to a sector by declining new policies or raising premiums.

A scheme puts a cap on liability, reflecting the actual history of claims. This allows consumers to continue to pursue claims at historic levels, whilst giving insurers greater predictability. Liability caps give insurers the confidence to remain in a particular market without risk of random runaway claims, and a buffer to adjust to any sudden change in risk profile of a professional activity.

Limiting participant liability therefore helps consumers by ensuring that the occupational group in question remain insured, and a PI safety net can always be relied on.

PI insurance access has not been an issue in the ICT sector to date, and there has been no active history of consumer claims for professional negligence against ICT practitioners. The ACS scheme nevertheless provides a plan for the future, and a foundation for the broader ongoing professionalisation of the ICT sector.

#### Is the Scheme a professional indemnity insurance scheme?

No, the ACS Professional Standards Scheme is not a source of PI insurance, however members under the Scheme are required to hold PI insurance that meets certain requirements.

Under a related but separate member service initiative, the ACS provides an umbrella PI insurance policy covering all members with an annual professional fee income within a set limit. A higher level of cover is provided for CP members.