

Financial Markets Policy
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140
New Zealand

ASB Bank Limited
PO Box 35, Shortland Street
Auckland 1140, New Zealand
Telephone +64 9 306 3000
Freephone 0800 803 804
CX10087 Auckland DX Sort
asb.co.nz

19th June 2024

By email: financialmarkets@mbie.govt.nz

ASB response – Effective Financial Dispute Resolution consultation

ASB welcomes the opportunity to provide feedback on the Effective Financial Dispute Resolution consultation (**Consultation**).

We are committed to being a great bank and delivering on our purpose of accelerating progress for all New Zealanders. ASB provides products, service and support to over 1.5 million customers around New Zealand and we process millions of payments and transactions every day. While we always want to get it right by our customers, we recognise that this is not always the case and in those instances we are committed to putting it right. We also take seriously our commitment to provide customers with a robust complaints processing scheme and clear referral pathways to external resolution schemes. Our primary scheme is the Banking Ombudsman Scheme (**BOS**), and we also engage with the Insurance and Financial Services Ombudsman (**IFSO**) and Financial Services Complaints Ltd (**FSCL**).

ASB has worked hard over the last several years to improve our customer complaints process. This includes regular enhancements to our complaint management system, delivery of refreshed complaints training for frontline teams, development of an Easy English guide for making a complaint, translating our Complaints Guide into a range of languages, and investing in developing a specialised Early Resolve Team who are specialists in complaints handling and tasked with improving the experience for our customers and faster resolution, as part of our Customer Care Team.

The outcomes of this work can be seen in the steady uplift in the volume of complaints captured through the [Banking Ombudsman Complaints Dashboard](#) (Dashboard). We have seen a 77% increase in the volume of complaints when compared to the same period two years ago. ASB has also improved our resolution time of complaints during this period, and we now hold a second in market position on average days to resolve complaints. ASB views the increase in complaints captured and subsequent improvement of resolution times as a positive reflection of our focus on this area, making it easier for both our staff and customers to access our complaints process, and receive fair and consistent outcomes.

We have attached our response to the Consultation at Appendix A.

We welcome further discussion on any of the responses contained in our submission.

Yours Sincerely

Privacy of natural persons

Adam Boyd
Executive General Manager, Personal Banking
ASB Bank Ltd

Appendix A: Response to Consultation

Consumer Awareness

1. Ensuring that all New Zealanders are aware of, and able to access consumer dispute resolution processes is critical to the effective functioning of New Zealand's financial services system.
2. Banks and other stakeholders have a role to play in helping improve consumer awareness of New Zealand's dispute resolution schemes. This includes working closely with BOS in 2023 to increase awareness of the scheme through our channels. BOS services are now displayed across a range of our customer touch points, including in our ASB Mobile Banking App and FastNet Internet banking.
3. We support the Consultation's recommendations around the need for greater awareness of resolution schemes. While there is a good awareness of the existence of complaints processes and external schemes across some customer groups, there is still more work to be done to ensure that customers in vulnerable circumstances are aware of and are empowered to easily access these schemes. For example, people who don't have access to the internet or a computer or for cultural reasons may be less willing to engage with their service provider, may still struggle to access both internal complaints processes and financial dispute resolution schemes.
4. While we are broadly supportive of awareness promotion as referenced in the Consultation document, it's not clear whether additional 'awareness' promotion alone would help reduce barriers to entry. We suggest that BOS consider undertaking initiatives, such as engaging with not for profits or community groups to raise awareness. Ensuring that any awareness promotion is tailored to those that might not regularly engage with their service provider, or who may face other barriers to accessing services is important. Examples of these barriers include English as a second language, elderly customers or those with low levels of literacy.
5. More broadly, there is a need to better understand barriers from consumer's point of view in New Zealand. We would advocate for better understanding of barriers to consumer access and tailoring solutions to address these.

Enhancing scheme effectiveness

Improving reporting

6. ASB supports the work done by BOS to improve public reporting, including establishing a complaints dashboard accessible to the public. The dashboard plays an important role in improving accountability and transparency and provides helpful information around the theme of complaints. We would encourage MBIE to consider how this reporting could be replicated across other schemes.
7. We recommend that regular, standardised, reporting from BOS to the regulator be considered as a way to enhance scheme effectiveness. Schemes could report to the FMA on an annual or biannual basis, using consistent measures of monitoring such as responding to templated regulator questions. The FMA could then publish a public-facing report across all schemes which may improve oversight and accountability.