

# COMPLAINTS HANDLING & DISPUTES RESOLUTION

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# Complaints Handling & Disputes Resolution

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# 1. INTRODUCTION

## 1.1. Purpose and scope

The purpose of this document is to describe our obligations and our approach to the management of complaints and the framework within the Business that supports this. This generalised policy is designed to be read in conjunction with our detailed Complaints Procedure and Checklist.

In addition to promoting a culture of fair customer treatment, this policy also assists our business in complying with:

- a) ASIC Regulatory Guide RG271 (on dispute resolution);
- b) Australian Financial Complaints Authority (AFCA) scheme rules;
- c) Australian Standard AS/NZS 10002 (on complaints management); and
- d) The National Consumer Credit Protection Act 2009 and associated Regulations.

This document applies to all employees, agents, and representatives of our business and to all our products. The document clearly sets out the principles we must follow on becoming aware of a complaint (see definition below).

## 1.2. Business culture

The Business aims to develop and maintain a positive complaint management culture that welcomes and values complaints. This policy assists the Business in its commitment to achieving the highest possible levels of fair customer treatment by providing an efficient and accessible mechanism for resolving their concerns. The result will be increases in customer confidence and satisfaction with the Business's products and services.

The Business is committed to implementing the procedures set out in this document. The Business has a culture of accountability which includes:

- a) Service level criteria set by management;
- b) Performance monitoring and evaluation against these criteria;
- c) Management reporting on complaint handling performance;
- d) Management sign off for complaints registers;
- e) A proactive approach to customer and staff feedback; and
- f) Regular auditing of the complaint handling process.

## 1.3. Annual review

This document will be reviewed annually by Management<sup>1</sup>. The review will ensure continuing compliance with applicable laws, the requirements of any Licence issued to our business and relevant industry standards. The review will also ensure the guidance remains applicable to our business and continues to achieve its purpose.

## 1.4. Amendments

All representatives are encouraged to suggest improvements to this document and direct them to Management.

Management must approve any significant amendments to the Policy and is responsible for notifying relevant stakeholders of such amendments.

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<sup>1</sup> As opposed to complaints themselves, which are reviewed semi-annually

Amended versions will be published on the appropriate company forum and the superseded version archived.

## 2. COMPLAINTS OVERVIEW

### 2.1. What is a complaint?

A COMPLAINT IS ANY EXPRESSION OF DISSATISFACTION MADE TO OR ABOUT OUR ORGANISATION, RELATED TO OUR PRODUCTS, SERVICES, STAFF OR THE HANDLING OF A COMPLAINT, WHERE A RESPONSE OR RESOLUTION IS EXPLICITLY OR IMPLICITLY EXPECTED OR LEGALLY REQUIRED.<sup>2</sup>

Complaints can be made in writing (e.g. by letter, email or on social media) or verbally (telephone or personal representation). Complaints might be made by any person or other person acting on their behalf, and not necessarily limited to actual customers of the Business. Complaints must be resolved as expeditiously as possible.

Complainants must be:

- Treated with respect and provided with all documentation and evidence in support of their concerns;
- Informed of the complaints handling process, including the avenues for further review of decisions such as AFCA; and
- Informed of decisions and the reasons for those decisions.

Although we may still manage complaints that do not relate to the credit activities engaged in by our licence, our dispute resolution processes are solely limited to disputes in relation to the credit activities engaged in by our licence.<sup>3</sup>

### 2.2. Identification of complaints

Our business takes a proactive approach to the identification of complaints. A response or resolution is “explicitly expected” if a clear request is made and “implicitly expected” when an expression of dissatisfaction is raised in a way that would reasonably be seen to expect a response or specific action be taken.

The term “to or about an organisation” in the definition of a complaint could potentially be very broad. For this reason ASIC have advised that their interpretation of these words covers expressions of dissatisfaction made over social media channels owned or controlled by our business, and do not require the words to be read any more broadly than this.<sup>4</sup> For comments on these channels to be considered complaints, the author must also be identifiable and contactable.<sup>5</sup>

In the case of complaints being identified through social media channels, our ability to identify these will vary based on a myriad of factors such as our control of the channel, the level of traffic in the channel and how easy it should have been to identify the complaint. In all cases we must endeavour to be able to identify complaints through these channels as soon as is practical.

When responding to a complaint made publicly on a social media channel, our business must ensure that the complainant’s privacy is appropriately protected<sup>6</sup>. For this reason, our business will generally

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<sup>2</sup> Paragraph 6 of ISO10002; RG271.27

<sup>3</sup> s47 of the NCCP Act, RG271.29

<sup>4</sup> RG271.28

<sup>5</sup> RG271.32

<sup>6</sup> RG271.32

attempt to manage complaints privately as opposed to in a public forum. In the event that this is not possible, we will remind the consumer of their choice to manage the complaint publicly and suggest they consider the consequences of this.

Once a complaint is identified, it should not be considered not to be a complaint merely because the complainant will not commit the complaint to writing, because we do not believe the matter has any merit, or because we have made a goodwill payment with no admission of fault in relation to the complaint.<sup>7</sup>

It is also not a requirement that a complaint not be recorded just because no financial compensation was required for resolution of the complaint.

### **2.3.Complaints handling officer**

Complaints are investigated and managed through to closure under Management supervision. The Business may nominate a Complaints Handling Officer (CHO). This person must also be notified to AFCA.

The CHO supports any other area of the Business in the investigation process and records all incidents; monitoring them through to conclusion. The CHO also acts as the central contact person for AFCA.

Whoever is tasked with handling complaints must have appropriate skills to:

- a) Manage relationships with key stakeholders;
- b) Comprehend customer documentation, legislation, and regulatory policy statements;
- c) Understand the Business's organisational structure; and
- d) Review processes and procedures to ensure currency, compliance, and adequacy.

As part of their continued training the CHO will attend regular meetings with AFCA and regularly review their website.

## **3. GENERAL PROCEDURES**

### **3.1.Summary**

All complaints must be logged using a Complaint Form (see Appendix A) and immediately sent to the CHO. The CHO will make an initial classification as to whether the incident is a complaint, breach, both or neither.

The CHO enters complaints into the Complaints Register and directs the appropriate person (if not the CHO themselves) to investigate the complaint, using the template at Annexure A. The CHO will monitor and facilitate the management of the complaint through to closure.

### **3.2.Enabling complaints**

Everybody has a right to complain. Our business adopts a people-focussed and proactive approach to receiving complaints and addressing issues raised within a reasonable time.

People making complaints must be treated with respect and they should be actively involved in the complaints process as far as possible and appropriate under the circumstances.

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<sup>7</sup> RG271.31

### **3.3. Accessibility**

We must ensure that our complaint management system is accessible to everyone, particularly people who might require assistance.

To fulfil the purpose of this Policy, it is essential that a concise, informative, and plain English version of our Complaints Handling Procedure is made available across multiple contact points<sup>8</sup>. At a minimum, this includes:

- All business websites, including the websites of credit representatives;
- Any disclosure documents; and
- Other points of customer contact.

The compliance officer ensures all representatives are trained in the complaints handling procedure at induction and annually. The training will be recorded in our Training Register.

### **3.4. Registers**

All complaints are recorded in a register by the CHO as soon as they are received. Where an incident is both a complaint and a breach, it is recorded in both registers with appropriate cross referencing.

Registers are maintained by Management and are designed to facilitate recording and the resolution of incidents and to prevent future occurrences. They are also used for identifying systemic risks (root cause analysis).

Registers are stored in tabular, electronic format in a protected directory. Documentation supporting incidents is also kept and maintained by the Business.

### **3.5. Training**

All team members of the Business must be adequately trained and empowered in the Complaint Management Policy. This includes specific training on receiving and resolving complaints from disadvantaged and vulnerable people who need assistance.

All team members must understand how this policy works, their roles and responsibilities and where this policy can be accessed at all times.

## **4. COMPLAINTS**

If a person, not necessarily a customer, contacts our business and expresses dissatisfaction with a product or service and expects a response or resolution, the incident must be recorded as a complaint.

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<sup>8</sup> AS10002 Appendix B

## 4.1. Complaint handling procedure

The procedure can be summarised as follows:

Task	Timing and Comments
Receive complaint	
Complete complaint form and lodge with CHO	Within 24 hours of receipt
Review lodgement and record in complaints register	
Delegate investigation to an appropriate person	Within 24 hours
Acknowledgement of the complaint by the CHO	Within 24 hours or as soon as practicable
Formal acknowledgement of the complaint by writing to the customer	Within 5 business days of original receipt
Investigate the complaint	Within 5 business days
Determine whether a breach has occurred	Within 5 business days
If breach, enter in breach register and refer to breach handling process	Immediately
Contact complainant on progress	Every 2 weeks if necessary
Review investigation upon completion	
Make a final determination about the complaint resolution	Within 30 calendar days of original receipt
Inform complainant of determination	Within 7 days of determination but no later than 30 calendar days of original receipt
Update complaints register and review for evidence of systemic issues	
Compile Management report	At least quarterly

## 4.2. Complaint analysis

Complaints, especially written ones, will often be written in a fashion that makes it difficult to fully appreciate what exactly the complainant is dissatisfied with or what the resolution is that they expect.

It is important, therefore, to meticulously analyse a complaint and be sure that each point of dissatisfaction and each point of expected resolution is understood. These clear and separate items must be communicated to the complainant in our first written response. This gives the complainant an opportunity to disagree which, in turn, aids us in investigating the complaint.

## 4.3. Handling complaints that are closed quickly

If a complaint can be resolved to the complainant's full satisfaction within 5 business days, we are not required to respond to the complainant in writing<sup>9</sup>. However, in the interests of record keeping, our business will provide a written record of the complaint and its resolution to the complainant regardless.

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<sup>9</sup> RG271.71

#### **4.4. Complaint delays**

We consider meeting, or outperforming, the maximum timeframes to be best practice. However, under exceptional circumstances we acknowledge that variables, such as the complexity of the claim or availability of information, may affect our response time<sup>10</sup>.

A complaint may be considered complex if; a significant period of time has passed since the event occurred and information must be reconstructed, the complaint involves multiple or competing sources of information, or similar.

Limited availability of information may occur due to circumstances beyond our control, such as; the information must be obtained from a third party, death, or illness, or similar.

In such circumstances we will inform the complainants of the delays before the maximum timeframe expires. We will also inform the complainant of their right to external dispute resolution and provide them with the contact details for AFCA.

#### **4.5. Complaint remedies**

Our business will always seek to ensure that remedies are fair. In considering an appropriate remedy, we will have regard to the applicable legal principles, relevant codes of conduct, fairness to the complainant and good practice.

While financial remedies are not normally appropriate or necessary, in the event a financial remedy is deemed necessary, our business will ensure that fair compensation is provided. If any compensation is to be provided it must be approved by Management.

#### **4.6. External Disputes Resolution Scheme**

We are required to be a member of an External Disputes Resolution Scheme (EDRS)<sup>11</sup>. The single EDRS in Australia is run by AFCA.

All complainants must be informed that they have the right to refer their complaint to AFCA if they are unsatisfied<sup>12</sup>. AFCA should not accept their complaint unless they have first been through our IDR process. We are required to provide AFCA's contact details which are:

Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne Vic 3001  
Tel: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Online: <http://www.afca.org.au/>

Upon receiving a complaint, AFCA will contact both parties and attempt to resolve the complaint by conciliation.

All communication with AFCA must be referred to Management, who is to be provided with regular updates on the status of the complaint.

Responses will be compiled by Management with legal assistance where necessary. Responses to timeframes are set by AFCA, however; information must be reviewed immediately, and a response

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<sup>10</sup> RG271.63

<sup>11</sup> Section 47(1)(ha)(i) National Consumer Credit Act 2009

<sup>12</sup> RG271.111



provided to clarify any incorrect information as soon as possible. Ordinarily, if the complainant has completed internal dispute resolution processes, a written response must be sent to AFCA within 21 days of receipt of the notice from them.

#### **4.7. Cost**

Access to our complaints handling procedure and AFCA is provided free of charge for consumers. If a complaint originates from the conduct of a credit representative, any amount AFCA levies our business will be on-forwarded to the credit representative for them to pay.

#### **4.8. Confidentiality**

The Business and its representatives must treat all complaints in confidence and only disclose the details of the complaint to those involved in the resolution process.

### **5. COMPLAINTS REPORTS**

#### **5.1. Management reports**

The Business creates a report at least quarterly. The report includes a copy of the Complaints Register together with the following:

- a) The number of complaints received during the period;
- b) The number of outstanding complaints at the end of the period;
- c) The number of complaints resolved during the period;
- d) The number of complaints received through AFCA during the period;
- e) An update on complaints currently with AFCA; and
- f) The number of complaints received through regulators during the period.

#### **5.2. Business feedback**

In addition to providing formal reports, the business must also utilise the information in the Registers as a source of management information, for the purposes of business feedback.

Trend analysis must be performed in terms of the Business's performance with respect to incident reporting timelines in this document.

Observations whereby a particular department or person consistently fails to report incidents in a timely manner must first be raised with the department or person and then escalated appropriately to ensure the Business addresses the situation.

#### **5.3. Root cause analysis**

Particular analysis should be performed on the causes of complaints. Analysis must observe the "root cause" of complaints rather than the secondary circumstances of a particular complaint.

Root cause analysis is an invaluable management tool and provides a window on the Business that is not otherwise available<sup>13</sup>.

Results of root cause analysis should be converted into meaningful management information (graphs, tables etc), and should be tabled at an appropriate level on a regular basis, e.g. at Management

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<sup>13</sup> ISO10002 Section 8.7

meetings. Trends in the root cause of complaints must be considered and addressed appropriately by Management.

#### **5.4.Auditing of the complaints management system**

The Business will review its performance against this complaints policy at least every six months. The following items are included in our Risk & Compliance Matrix that drives our risk & compliance testing:

1. Review Complaints Register to ensure complaints are recorded;
2. Review register to ensure complaints are managed within the required timeframes;
3. Seeking evidence that management reporting on complaints is produced (if appropriate);
4. Seeking evidence that root cause analysis has taken place (if appropriate); and
5. Seeking evidence that this policy has been reviewed at least annually.

Like all other compliance activities and reporting, the auditing of the complaints management system should result in continual improvement where appropriate.

## APPENDIX A – COMPLAINT FORM

<h3 style="margin: 0;">Complaint Form</h3> <p style="margin: 0; font-weight: normal;">To be used for all external consumer-related complaints</p>		
Your name:	Your phone number:	Your email address:
Product/s affected:	Today's date:	Date complaint brought to you:
<p><b>Description of complaint:</b>                      If this is a customer complaint, list all customer details                      Include as much detail as possible                      With what is the complainant dissatisfied and what resolution are they seeking?</p>		
<b>Complaint Investigation</b> To be completed by CHO or delegate	Complaints Register entry number:	
Investigation completed by:	Complaint received by CHO <input type="checkbox"/>	Date:
	Complainant acknowledged <input type="checkbox"/>	Date:
	Possible breach considered? <input type="checkbox"/>	
	Investigation reviewed <input type="checkbox"/>	
	Complaint resolved <input type="checkbox"/>	Date:
	Complainant advised <input type="checkbox"/>	Date:
<p><b>Complaint investigation details</b>                      Address every individual point of the complaint separately                      Internally, what has the investigation revealed is the root cause of the complaint?                      What action has been taken or proposed to resolve the complaint?                      Is it necessary to revise internal procedures as a result of this investigation?</p>		

**Closing Actions**

Complaints Handling Officer only

Has the complaint been sufficiently investigated and resolved?  Yes  No

Has the complaints register entry been finalised?  Yes  No

If the complaint is also a breach, have those procedures been finalised also?  Yes  No

Signed – Business owner: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX B – COMPLAINTS MANAGEMENT PROCEDURE

Name of Complainant  
Date of receipt  
Channel of receipt  
Name of person receiving

If complaint is taken verbally ensure all following information is completed during initial conversation

What is the person dissatisfied with?  Product  Service

What aspect of our services are they dissatisfied with?

Does the dissatisfaction involve the personal conduct of one of our team?  Yes  No If yes, who?

What is the logical sequence of events or items that the complainant is dissatisfied about?

Include only as much detail as is needed to adequately describe the dissatisfaction. Dot points preferable.

What is the outcome that the complainant is expecting?

Are you completely satisfied that you have understood the complaint per the above two steps?

Commence complaint form   
Hand this checklist and complaints form to CHO

