

Consumer Liaison Group meeting Tuesday, 29 November 2016

Below is a summary of out-takes from the CLG meeting and other information you may like to share with your organisation, colleagues and networks. The full record of the meeting has been provided separately.

Announcements

- At the Board meeting on 17 November 2016, the Board of Directors appointed Ms Johanna Turner as an Industry Director of FOS, filling the vacancy created by the resignation of Mr Chris McRae in June 2016.
- FOS welcomes three new members to its Consumer Liaison Group:
 - Charles Brown, Consumer Credit Legal Service WA
 - Lillian Pangallo, The Salvation Army Moneycare (NSW)
 - Rachna Bowman, South East Community Links (VIC)
- A consumer roundtable will be scheduled for late February/early March, with a focus on family violence
- On 28 November FOS launched its Twitter account **@FOSAustralia**. FOS is expanding its social media reach following implementation of LinkedIn in late 2015. FOS will be using its Twitter feed to share helpful information and resources, such as FOS Approaches, fact sheets, news and media releases, videos and event updates.
- FOS is currently trialling live chat communication, embedded in its online dispute form. Registration & Referral staff will be on hand during regular business hours to provide guidance about the information FOS needs, or about whether a dispute is likely to be one they can consider.

Reviews, inquiries and consultations

- As part of the Review of Financial Systems EDR Framework, FOS provided [two submissions](#), along with nearly 200 pages of data. The interim report was released on 6 December 2016.
 - FOS welcomes the interim report into the review of the financial system's external dispute resolution (EDR) and complaints framework (the Ramsay Review).
 - FOS supports the proposals designed to strengthen current arrangements based on fairness, openness, simplicity and adaptability as core features of future arrangements for dispute resolution in the financial sector. In particular, the draft recommendations designed to reduce complexity for consumers in accessing timely, low-cost and efficient EDR for all financial sector disputes.

- FOS's submission to the Panel made five main recommendations. These included consolidation of the existing schemes, the expansion of FOS's small business jurisdiction and a review of monetary limits for the general consumer division. We also called for an enhancement in some powers, along with a compensation scheme of last resort to deal with unpaid determinations.
- FOS is pleased that the Panel considers that there is merit in an industry-funded compensation scheme of last resort and that we will have an opportunity to provide further input into how this might work, prior to the release of the Ramsay Review's final report. FOS is currently working with the Australian Bankers' Association (ABA) and consumer and industry stakeholders to examine in detail the design features needed for the implementation of such a scheme.
- FOS has received 17 submissions to its small business jurisdiction consultation, with 15 of these in principal supportive of the proposed expansion.
- FOS has made a submission to the Financial Services Council's (FSC) Life Insurance Code of Practice consultation and is also in discussion with FSC about administration of the Code.
- Senior FOS staff met with the Victorian Minister for Finance and Multicultural Affairs, Robin Scott MP. FOS briefed the Minister on activities being undertaken to support victims of family violence coming to the scheme, and in response to recommendations in the Victorian Royal Commission into Family Violence report.

Dispute resolution

- Some simple (single issue) and low value disputes that may be just over the \$10k claim level are now being streamed into the Fast Track process where appropriate, providing increased flexibility and efficiency.
- FOS is seeing an increase in general insurance disputes.
- On average 45% of banking and finance disputes are being resolved at a very early stage, but numbers are lower for general insurance disputes.
- There are currently some dispute queues across fast track, general insurance and at decision, however FOS has been actively recruiting additional staff to address these queues. Recent recruitment includes two ombudsmen, three adjudicators and 13 additional dispute resolution staff.
 - FOS is maintaining a strong focus on quality assurance as new staff complete requisite compliance and technical training.
- Benefits are being seen as a result of an ongoing conciliation pilot. All disputes with pilot organisations are conciliated. Pilot disputes that do not resolve at conciliation are still reaching the decision stage more quickly.

Accessibility and resources for a diverse audience

- Following the launch of its first Reconciliation Action Plan (RAP) earlier the year, FOS is currently developing cultural awareness training for staff, among many other projects, and will update stakeholders as significant milestones are met under the RAP.
- FOS is delivering a broader public outreach program in 2016/17 and will continue to partner with other external dispute resolution schemes and community groups to raise awareness of FOS – particularly targeting vulnerable and disadvantaged consumers.

FOS is undertaking the following to enhance accessibility for consumers:

- Audio versions (mp3) of existing language micro-sites at www.fos.org.au
- Dispute form (pdf) translated into five languages: Arabic, Mandarin, Cantonese, Italian and Greek.
- Top four most popular brochures and fact sheets translated into 13 languages:
 - Guide to conciliation conferences
 - Guide to dealing with financial difficulty
 - Fact sheet - Breaking a fixed rate loan
 - Fact sheet - Mistaken internet payments