Our work at a glance

**Cases**
- Enquiries: 1263
- Complaints: 2565
- Disputes: 144

**Faster resolution times**
- Complaints: 97% resolved within 2 days
- Disputes: 11% faster resolution (53 days average)

We help thousands of New Zealanders with their banking problems each year - from requests for information, to helping resolve things with their bank, through to formal investigations.

We got fair outcomes for customers and improved bank practices.

“I just wanted an apology from the bank. When it came, along with a gift basket, I was delighted.”

Our purpose

- Resolve complaints
- Prevent complaints
- Facilitate early mutual agreed solutions
- Identify the root causes of complaints
- Share insights to encourage best practice by banks and informed decisions by customers

better banking

A strong credible dispute prevention and resolution system is vital to a healthy banking sector.

We're independent

- We are free to consumers and levy a charge to banks.
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Despite this, and concern that Sarah sounded much younger than Ana’s recorded age, the staff member agreed to Sarah’s request to reset Ana’s internet banking password. Sarah then accessed Ana’s accounts and stole $5,000. The bank said Ana caused the loss by failing to keep her password safe.

We looked into whether the nature of Sarah’s phone calls to the bank should have raised sufficient doubt that Sarah was not who she said she was. We thought the bank should not have allowed her to change the password in those circumstances. We advised the bank to meet Ana’s entire $5,000 loss.

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Faster resolution times

Cases by bank

<table>
<thead>
<tr>
<th>Scheme participant</th>
<th>Received Enquiries</th>
<th>Received Complaints</th>
<th>Received Disputes</th>
<th>Total</th>
<th>% of our cases</th>
<th>% of total assets</th>
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<tr>
<td>ANZ Bank NZ</td>
<td>70</td>
<td>579</td>
<td>32</td>
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<td>0</td>
<td>77</td>
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<td>1.8</td>
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<td>TSB</td>
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<td>262</td>
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<td>924</td>
<td>307</td>
<td>0</td>
<td>1,231</td>
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</table>

**Cases**
- 3972 Increase in cases

Trends

- New complaints: 8%
- More favourable outcomes for customers: 8% on last year

Financial compensation

Outcomes

More favourable outcomes for customers

- Fair compensation
- Effective resolution
- Clear outcomes
- Understanding and personal change
- More research

Main problem areas

- Lending
- Payment systems
- Cards
- Insurance
- Mortgages

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Acting on wider issues

When we see an issue that could affect other bank customers, we act on it to improve the system for everyone.

We asked banks to look at these wider issues.

Product information: Bank charges to customers and staff.

Complaints resolution: Feedback, training, templates provided.

Bank communications: Standard letters improved.

Loan calculator tool: Monitoring bank interactions.

We are passionate about ensuring people know about us, and that we’re easy to use.

Sharing our insights

Resolving banking problems is our core task, but we have a wider role to play in preventing problems by sharing our insights from our cases.

We do this in various forms:
- Case notes and Quick Guides on our website
- Monthly insights to improve bank practices
- Alerting stakeholders to trends and developments in the sector

Quick Guide snapshot

Children’s accounts

Parents have a crucial role in setting up and running their children’s accounts, but their offspring have rights, too.

Children don’t have constituted one bank accounts. Nor are they free to open bank accounts on their own. To do that, they need an adult’s signature or agreement. The type of account would be best for the child. They also decide who can have access to the account.

The rules governing who can operate an account are set out in a document called an account mandate (also known as an account signing authority). An account mandate spells out who has access to the account and how that access will work. Parents may decide they alone will have access to the account. Or they may decide to operate the account jointly with the child.

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We sometimes receive complaints from parents concerned that their child has been able to access an account without their knowledge or authority. We also receive complaints from one parent that the other jointly-agreed-grown-up parent is operating their child’s account in a way that the first parent does not approve of. In such cases, we check the account mandate because it outlines the parent or parents who have access to the account. If we’re concerned about how the account is to be used:

Read the full guide on our website.

We built a new website and visits went up

“I’d heard of the Banking Ombudsman through the radio maybe so I googled it, and you’ve got this cool website and you have case notes and I thought, let’s ring!”

42 Quick Guides

39% of complaints received online

153,312 Website users

10 Languages

Who uses us

Ethnicity

- NZ European 43%
- Other 15%
- Maori 8%
- Indian 8%
- Chinese 4%
- Samoan 1%
- Tongan 1%

80% Customer satisfaction

Unfair for bank to hold money so long without interest

Kate and her husband Kevin received funds from the Earthquake Commission while in the middle of separating. Each gave the bank conflicting instructions about what to do with the funds.

Kate wanted the funds used to reduce their loan, while Kevin wanted the funds invested in a term deposit. The bank kept the funds in a holding account until the separation was complete, which ultimately took 18 months. Their separation agreement said Kevin would sign over his share of the property and insurance funds to Kate. Kate believed the bank should have acted on her instruction because she would eventually become the sole owner of the property.

We thought it was reasonable that the bank did not act on either person’s instructions in a relationship dispute. However, there were other options the bank could have explored to ensure the funds were providing some benefit in the interim, but without taking sides. For example, if the bank had put the funds into a savings account or used the funds to offset interest on the loan, Kate would have been better off.

The bank agreed to compensate Kate as a result of our involvement. Given her difficult circumstances, the bank decided the more generous offset option was the fairer.

“We’ll do for your persistence on my behalf... it worked and I received a fair amount of compensation.”

Promoting high standards of conduct

consumers first

robo advice

simplifying terminology

clear disclosures tailored advice

select committee transparency

financial services code misuse of register

dispute resolution rights

RBNZ dashboard

Code of Banking Practice

case study