

RESERVE BANK OF FIJI

Complaints Management Bulletin

Quarter 1, 2023

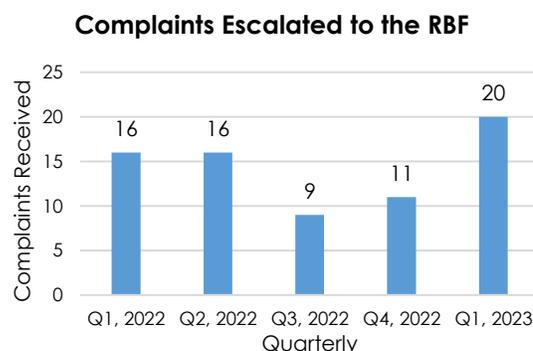


COMPLAINTS ESCALATED TO RBF

20 new complaints received + **4** carried from Q4, 2022

18 resolved within the reporting period

6 carried forward to Q1, 2023



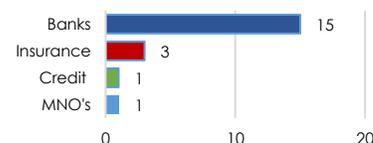
Top 3 Complaint Types

- 1 Account Access
- 2 Lending & Mortgage
- 3 Customer Service

Location

- 1 Central Division
- 2 Overseas
- 3 Western

Number of complaints escalated to the RBF in Q1, 2023



A total of 24 complaints were assessed in the March 2023 quarter; 20 were new complaints (Central Division 13, Overseas 4, Western 3) and 4 carried forward from the previous quarter. This was an increase of 81.8 percent when compared to the previous quarter and similarly, an increase of 25.0 percent when compared to the same period in 2022. A total of 6 complaints have been carried forward to the next quarter for assessment and mediation. Of these, 4 complaints were received towards the end of the quarter and 2 complaints that relate to issues older than 10 years for which the financial institutions are collating information.

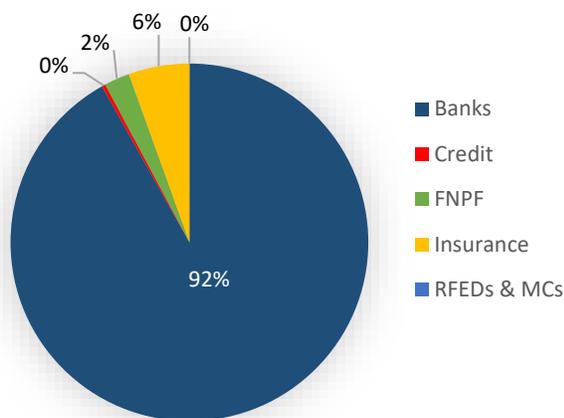
In the banking and credit institutions, 45.0 percent of complaints escalated to RBF were issues of dormant accounts, accounts placed on hold, declinature by the banks to open account and alleged unlawful deductions from account. This was followed by 20.0 percent of complaints relating to lending & mortgage disputes and 15.0 percent of complaints relating to behaviour of staff and incomplete information or advice by financial institution staff.

In the insurance industry, only 3 complaints were escalated to the RBF. This was a 50.0 increase when compared to the previous reporting period. The complaints received related to life insurance policies and property insurance.

The Customer Advocates Forum convened its first meeting after the pandemic, in February 2023. As an introductory session for new advocates that have taken up this role in their respective institutions, the RBF provided brief presentations/updates on exchange control, the new national payment system and economy.

Complaints escalated to the RBF have generally declined over the last four years. The establishment of senior and experienced staff customer advocates and the direct involvement of heads of institutions in the internal complaints management process have brought in notable efficiencies in complaints handling at institutional level. As a result, more complaints are being resolved by LFIs within very short timeframes which have helped reduce the number of complaints escalated to the RBF.

Industry Report



A total of 1,219 complaints were received by LFIs in quarter 1, 2023, an increase of 27.1 percent when compared to the last quarter but a decrease of 10.8 percent when compared to the same period in 2022. Of this total, 97.5 percent were resolved within the reporting period and the remaining 2.5 percent was carried forward to the new financial period for resolution by the LFIs.

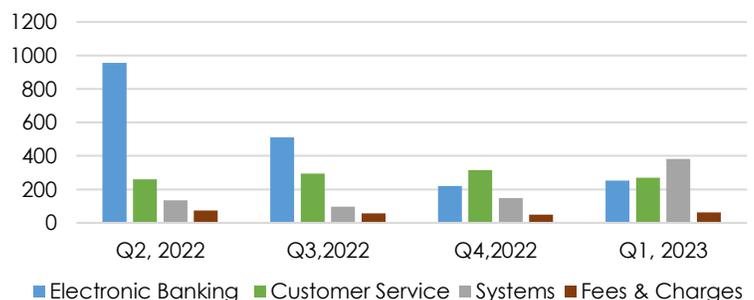
Of the total complaints received by the industry, 1.6 percent (or 20 complaints) was escalated to the RBF for further action, an increase of 81.8 percent from the previous reporting period.

BANKS & CREDIT INSTITUTIONS

1,124 (+27.7%) complaints made to Banks & Credit Institutions

1,102 (98.0%) complaints resolved in quarter 1, 2023

Banks & CIs - Top Complaint Types



Source: Banks & Credit Institutions

TOP COMPLAINT TYPES

1. Systems

System related complaints refer mainly to ATM and EFTPOS related type of complaints. An increase of 159.2 percent in system related complaints were reported in this reporting period and similarly an increase of 108.2 percent when compared to the same period in 2022. One of the banks recorded an increase in captured cards due to issues at the issuing bank (other bank ATM card holders) and card reader error on the ATMs.

The increase also related to delay by one of the MNOs in debiting the mobile money accounts after customers transferred funds from their bank account via internet banking or the mobile app. Customers experienced system failure issues with internet banking and the mobile app for a few hours due to a power outage. Most of these complaints were logged individually thus the increase in the number of complaints logged on the institutions complaint portals.

2. Customer Service

A decrease of 14.3 percent was noted for customer service complaints in this reporting period and similarly a decrease of 12.9 percent complaints when compared to the same period in 2022. Complaints received during the reporting period related to bad service and behaviour, lack of follow up, delays in responding to queries, provision of incorrect information and dormant accounts.

3. Electronic Banking

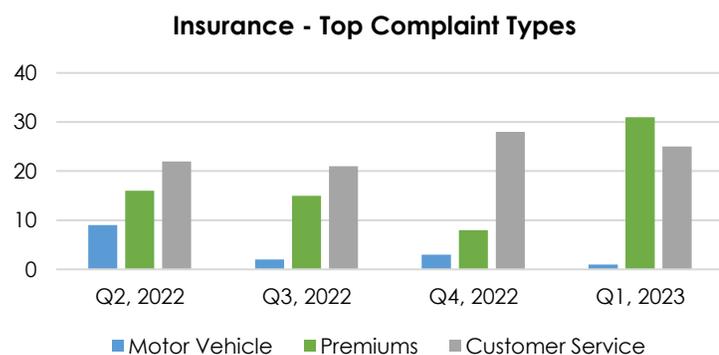
These complaints relate to internet / online banking services and products. An increase of 14.0 percent was noted for electronic banking related complaints in this reporting period over the previous quarter but a decrease of 52.3 percent when compared to the same period in 2022. Following the pandemic, an increase had been noted as customers transitioned towards greater usage of online and digital services. This has since stabilised over the 2022 period as customers become accustomed to these online platforms.

Due to a power outage (a few hours) in the Central division in March some of the banks reported an increase in complaints as their ATMs experienced disruptions and did not dispense funds.

INSURANCE

67 (+13.6%) total complaints received by the Industry

61 (91.0%) complaints resolved in quarter 1, 2023



Source: Insurance Companies

TOP COMPLAINT TYPES

1. Premiums

Complaints relating to premiums accounted for 46.3 percent of complaints reported by the insurers in this reporting period. This was an increase of 287.5 percent when compared to the last quarter. The complaints related mainly to premium price increases for domestic house, contents and motor vehicle insurance in December 2022. The increase in premiums were due to a reassessment of risk by insurers based on the frequency of events like natural disasters, rising inflation and claim costs.

2. Customer Service

Complaints relating to customer service accounted for 37.3 percent of complaints reported by insurers and showed a decline of 10.7 percent when compared to the last quarter.

An assessment of complaints regarding customer services over the last few years shows that insurers need to regularly undertake awareness and training for their frontline staff and agents. Translations of basic insurance information into vernacular is being encouraged by the RBF.

It was also noted that discussions relating to insurance policies between an insured and the insurer/agent are mostly verbal and poses difficulties when conflicts arise especially for insured persons who need to rely on documentary evidence to prove their case.

3. Motor Vehicle

Motor vehicle complaints accounted for 1.5 percent of complaints reported from the industry in this period. This was a decrease of 66.7 percent when compared to the last quarter from 3 to 1 complaint. It was noted that the decline is due to improvements made by insurers to internal complaints management processes.

Fiji National Provident Fund

The Fund reported an increase of 40.0 percent in the number of complaints received from 20 to 28 complaints in this reporting period. The majority of complaints reported, related to delays in processing applications within an acceptable timeframe. Receipt of complaints has normalised after the COVID relief pay out phases ceased and the Fund has reverted to their normal operations and issues are addressed in a timely manner.

RFEDs and MCs

RFEDs and MCs report on a six monthly basis. The next report will be provided as at end of June quarter 2023.