

To the Senior Manager, Behavioural Research and Policy Unit,

Thank you for inviting comments on the addendum to CP311 (20-327MR).

Please find below a table outlining our feedback to the key proposals and specific questions you were seeking feedback on.

If you have any questions or would like to discuss, please feel free to contact myself on [REDACTED]

Updates to the Data Dictionary and new data elements and Other IDR Reporting Requirements		
#	Proposal	Response
1	each complaint will only be able to include one product or service. If a complainant complains about multiple products and services, these would be recorded as multiple complaints (i.e. one complaint per product or service)	Disagree with this approach. Creating multiple complaints per product service is inefficient for customers / members & staff and would result in multiple reference numbers, acknowledgements, IDR responses, etc. This is likely to increase costs to the industry in time, system design and reporting preparation. It is better that the primary issue product or service only be captured if there is no ability tag multiples. There is also risk with this approach that the end-to-end view of the customer will be lost and that they will have a disjointed and incoherent response.
2	that the location data element will record the complainant's postcode rather than state.	No particular concern.
3	financial firms must record monetary outcomes in dollar amounts rather than in ranges;	Supportive
4	Financial Firms must record the advisor number when the complaint is about a financial advice	Supportive
5	financial firms the flexibility to report data for their various business units or	Supportive

	<p>subsidiaries in separate files, to reflect how their business is structured. However there is a data element in the draft data dictionary that will require financial firms with multiple subsidiaries, brands or superannuation funds to report the name of the subsidiary, brand or superannuation fund to which the complaint relates;</p>	
6	<p>to provide financial firms the flexibility to indicate up to three complaint issues, and up to three complaint outcomes, for a single complaint;</p>	<p>Supportive – why not up to three products or services though (as per point 1)</p>
7	<p>to collapse three data elements on the product and/or service line, category and type into a single data element. For example, if a complaint was about a loyalty program, a firm would previously have needed to separately record '6 (Payment systems)' for Data element 29, '20 (Non-cash)' for Data element 30 and '137 (Loyalty programs)' for Data element 31. In the updated draft data dictionary, to provide the same information, the firm would record just one item—'135 (Payment systems—Non-cash—Loyalty programs)' for Data element 18</p>	<p>No particular concern. We may still choose to split it out as it does help to reduce 'list' lengths but would concatenate for reporting.</p>
8	<p>to remove 10 data elements that collected firm-related information. Financial firms will now enter most of this information in the IDR landing page in the ASIC Regulatory Portal before submitting their IDR data file.</p>	<p>Supportive</p>
9	<p>Reporting and lodgement dates</p>	<p>Supportive. Would propose that the 6 month periods are offset to Calendar Half / Full Years to allow businesses that shut down over Christmas periods to not need to rush back to reporting cycles and to avoid End of financial Year. Reporting April to September (reported end of October) and October to March (reported end of April) may benefit the majority of businesses (recognising some firms have their EOFY offset to the same periods).</p>

10	A data element to record whether the consumer or small business has been flagged as experiencing vulnerability at the time the complaint is made; and	Supportive for consumers. Potentially, the small business vulnerability requirement should be industry specific. Super funds will not experience this often and when we do (e.g. employer cash-flow impacting need to pay employee super) this is not within our control. Banking and credit providers etc. are possibly the target market for this.
11	a data element that identifies the channel through which the complaint was received (e.g. call centre, online, social media or in person).	Supportive – already capture.
Specific Questions for Feedback		
1	Will the draft data dictionary be practical for industry to implement? If not, why not?	It will obviously require technology, process and behaviour change on behalf of industry participants, but should be achievable.
2	If your financial firm has multiple business units or brands under the one licence, would you prefer to report the complaints data separately or as one single file?	Single file – simplicity. Consistency across the industry will be key though else comparisons will be difficult.
3	The data dictionary captures multidimensional data by allowing each complaint to have one product or service, up to three issues and up to three outcomes. Where there are multiple issues and outcomes, this is captured using in-cell lists, rather than multiple rows or columns. Is this approach appropriate?	It is likely this will add a manual dimension to the ASIC reporting process or require an out of system work around to meet this need. It would be better to have a single column per value to facilitate as this would likely be the way the data is extracted from the various complaint management systems across organisations. Manual or workaround processes adds risk to the process that will require additional controls.
4	Do you support quarterly reporting of IDR data? If not, what are the additional costs of reporting data on a quarterly rather than half yearly basis?	Not opposed but would not be initially in favour until at least two reporting cycles were completed. The total cost involved will be largely unknown until the process has been run as the cost for the business is not only the cost of extracting and preparing the data for submission, but in the process governance, validation of the reporting, likely senior level sign off prior to submission, preparation of internal and external communications regarding the publications of the results (the fact that the reporting will be published will inevitably spark public and media interest). It would be better for

		the process to be run at least twice for organisations to calculate the effort required in compiling, validating, signing off and preparing for potential question from customers / members, staff and media before submitting. After 1 or 2 reporting cycles, we will be in a better position to assess the cost / effort and determine if quarterly reporting is appropriate.
5	Do you support the two proposed additional data elements that would capture consumer vulnerability flags and the channel via which the complaint was received? If not, why not?	Supportive of capturing the complaint channel. As discussed above, potentially this should be industry specific. When Super funds experience this e.g. if an employer is facing cash-flow an unable to pay employee super, this is not within our control.
6	When we publish the IDR data, how can we best contextualise the data of individual firms? Are there any existing metrics of size and sector that would be appropriate for this purpose?	A complaints per thousand members / customer would be the most basic measure. Would not advocate for an 'active member / customer' measure unless there is specificity around the definition of 'active'
7	Which IDR data elements do you think will be most useful for firms to benchmark their IDR performance against competitors?	Complaints received in the reporting period will be the only obvious measure. Upheld in part or full favour of complainant is another option but will punish organisations that will err on the side of recognising that there is often something that could be improved to prevent a complaint (e.g. applying a Can We / Should We / Is there a better way philosophy) and reward those who apply a more binary view.

Warm regards,

Glen

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