



COMMUNITY
BROKER
NETWORK

Complaints & Disputes Procedure

NOVEMBER 2019



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BACKGROUND

Community Broker Network (CBN) is committed to being open and responsive to any complaints about our organisation, our staff, our partners, our contracted service providers or anyone else acting on our behalf.

This procedure details the approach adopted by CBN to ensure the identification, recording, monitoring and rectification of complaints.

Complaints will be addressed professionally, competently and in a timely manner applying principles of natural justice and confidentiality.

It's important and indeed, a requirement of our AFSL that we have in place a functional and ongoing internal and external complaint handling procedures.

CBN are a principal member of NIBA and as such we have adopted, the Insurance Brokers Code of Practice.

Having robust processes and systems for dealing with complaints and disputes is an essential part of good business practice.

We are committed to meeting if not exceeding the expectations of our clients whenever possible. Much as we dislike receiving complaints, we recognise that dissatisfied clients have a right to complain and to have their complaint handled. Clients who take the time to complain may well still have confidence in us and want to continue dealing with us.

Complaints should not be seen as a nuisance or a cost, but as an opportunity to obtain feedback from clients about a product or service experience. We should use them as a way to assist us continuously improve service and relationships with our clients.

CBN is a member of the Australian Financial Complaints Authority (AFCA). If a complaint cannot be resolved satisfactorily a client has the right to refer the matter to AFCA.

Purpose

The purpose of this procedure is to:

- ensure the existence of a process through which complaints can be made regarding CBN's services, functioning or operations;
- enable CBN and our Authorised Brokers to benefit from all complaints through ensuring that they are recorded, considered, resolved and monitored;
- establish the principles that are to govern CBN's response to complaints; and
- ensure awareness of the content of this policy and relevant procedure

Scope

The principles and processes in this Procedure apply to all:

- Board members;
- Executives, managers and employees (whether full-time, part-time, casual, permanent or temporary);
- Authorised Brokers and their staff; and
- Contractors and consultants

Identifying and managing complaints in the organisation is an essential part of CBN's compliance culture and everyone is responsible for ensuring that the appropriate action is taken.

WHAT IS A COMPLAINT

A complaint is defined as any expression of dissatisfaction with a product or service offered or provided.

A complaint can be received verbally (including by phone) or in writing.

Complaints are a valuable and important part of ongoing business relationships. They provide a flag to potential problems and difficulties, and a repetition of complaints can indicate a systemic problem that needs attention.

If the complainant is not satisfied with the action in response to the complaint, it may then become a dispute. Disputes that are not resolved need to be referred to an external dispute resolution scheme.

RECEIVING COMPLAINTS

Complaints, where possible, are to be resolved closest to the source of the complaint.

CBN will ensure that the complaint investigation process is impartial. No assumptions will be made nor any action taken until all relevant information has been collected and considered.

We recognise that effective complaints handling is an essential component of quality management. Accordingly, we acknowledge the complainant's right to complain and will ensure that:

- necessary assistance is provided to the claimant to lodge the complaint;
- all complaints and internal failures receive prompt responses;
- all complaints are handled fairly to both the complainant and the company;

- corrective action is taken to rectify the immediate problem;
- incidents are reviewed to detect underlying trends; and
- appropriate changes are made to our systems and procedures to prevent recurrence.

CBN will try and resolve the complaint quickly and fairly and will liaise with the Authorised Broker at all times.

Receiving a Complaint Verbally

When a client makes a complaint, it is an opportunity to ensure that they feel important and appreciated and to demonstrate our commitment to excellent service and respect for our clients. Our aim is to turn any client's frustration into satisfaction. Also, depending on the complaint, non-action may result in an errors and omissions claim at a later date.

When dealing with a dissatisfied customer, always:

- listen to what the client says – this is the first step in reducing tension;
- acknowledge the complainant's feelings – denying that the complainant is, or has the right to be upset may antagonise them;
- record details and determine what they want – ask the necessary questions in a polite and even-handed manner to obtain the most detailed response
- confirm the information you have received to ensure that your understanding is correct;
- empathise with the complainant in a courteous manner, without making any admission;
- do not offer excuses or argue with the complainant;
- do not attempt to lay blame or be defensive;
- attempt to resolve the problem with an explanation or information;
- ask the client if they are satisfied;
- if the client is still not satisfied, tell them that we have a team who are dedicated to resolving client problems and that you would like to refer the matter to them to see if they can assist further. Seek to obtain the client's agreement to this. Inform them of the Risk & Compliance Team's details and advise them that the Complaints Officer will contact them within 48 hours; and
- Immediately complete a Complaint Registration Form (located in the Broker Kitbag) and provide it to the Risk & Compliance Team.

It may be appropriate to apologise to the client, but you need to take care in the way that you do this. This is because most insurance policies contain a condition prohibiting the insured from making any admissions of liability, and an apology that can be viewed as an admission may mean we are not covered by our Professional Indemnity policy.

There is a way to safely apologise to customers without compromising our insurance cover. The key is to empathise and/or apologise for the emotional impact experienced by the customer (e.g. "I'm so sorry you feel ..."; I'm sorry for the inconvenience/frustration/annoyance/anger, etc.") – rather than the action that caused the problem (e.g. "I'm sorry, I should have explained the exclusions to you ..."; or "I'm sorry, I forgot to renew your policy"). Ensure you are mindful of this when offering apologies.

When a client complains you should:

- try to remain calm even in the most demanding situations. Help the client maintain their control, no matter how angry they are;
- treat the client courteously and fairly at all times;
- be convincing in your expressions and actions to earn client trust;
- listen to the client – while they are not always right, a dissatisfied client is a liability, not an asset;
- be patient if your client communicates poorly. Help them to get their meaning across; and
- understand when to say "no" and be firm without antagonising the client.

Skilful communication skills are vital. For example, a client may complain that a telephone call had not been responded to for two weeks but the client could be actually inferring that they may be considering going to a competitor when the contract of insurance comes up for renewal.

It is important that that you differentiate between these two messages. Most people do not like to hear complaints and put up enormous psychological blocks. If you only listen to the surface message, it will result in a mismanaged complaint and possibly, the loss of the client. If we can listen to clients with open minds and flexible points of view, complaints may then be considered as opportunities to rectify client problems and cement our relationship.

CBN will ensure that the complainant is informed of his or her right to have a support person or advocate present to assist or represent them during any formal complaints procedure. Formal complaints can be written or verbal. If verbal, the assisting staff member will document the complaint and either the complainant, Authorised Representative or assisting staff member must sign the document and refer it to the Risk & Compliance Team.

Any admission may set a precedent for the whole organisation and, as such any offer of settlement must be approved by the Licensee.

Receiving a Written Complaint

If you receive a written complaint, complete the Complaint Registration Form (located in The D.O.C.K.).

WHAT HAPPENS NEXT

After the complaint is passed to the Risk & Compliance Team, you are no longer responsible for handling the complaint.

Our Complaints Officer is responsible for:

- dealing with and attempting to resolve all client complaints which cannot be resolved by the provision of clarification or information;
- advising clients of their rights to lodge complaints with AFCA;
- managing all disputes with clients; and
- liaising with the AFCA.

The Complaints Officer will take over the management of the complainant, and will attempt to resolve the complaint swiftly. You may be asked to provide additional information if this becomes necessary.

Upon receipt the Complaints Officer will acknowledge the complaint in writing within 2 business days, confirming:

- the matter is being investigated and that the complainant will be kept informed as to the progress of their complaint, any proposed actions and expected timeframes;
- that our aim is to resolve complaints in a timely manner and we will generally resolve a matter within 45 calendar days; and
- their right to refer the matter to the AFCA if the dispute is not resolved satisfactorily.

Complex complaints may take longer than 45 calendar days to resolve. In these cases, we will regularly update the complainant on the progress and likely timeframe for resolution.

On receiving a complaint, the Complaints Officer will obtain (either by locating such documents via the relevant system or, by contacting the relevant Authorised Broker):

- the needs analysis, any paperwork involved in constructing the solution, the advice given to the client and any promotional material shown or given to the client that may have supported their decision to purchase the product,

- the original proposal and any subsequent documentation; and
- the client's history.

The Complaint's Officer will provide a written response to the complainant within 45 days. Where appropriate we will acknowledge and respond to any documentation obtained during the investigation.

In the case of the complaint being referred to the Australian Financial Complaints Authority Dispute Facility, all relevant information an Authorised Broker holds will be made available to the external complaint body if requested.

AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA)

All retail and many business clients who are unhappy with their broker's services can complain to the Australian Financial Complaints Authority (AFCA). Although the numbers of AFCA complaints against insurance brokers are relatively low, brokers need to proactively minimise the risk that they might occur.

AFCA addresses these complaints from the perspective that insurance brokers enter into a professional relationship with consumers and have a duty of care to them. Bear in mind that in determining whether the duty has been met, AFCA will consider if you have:

- established the terms of agreement with the client (ie: what services you will provide and whether your advice will be general, or tailored to the client's needs);
- fully investigated and recorded the client's insurance needs;
- undertaken reasonable efforts to arrange a policy that is suitable to the client's needs;
- appropriately informed the client of any ability to arrange the cover sought, or of a relevant exclusion that impacts their requirements; and
- provided sufficient advice to enable the client to make an informed decision.

OUR CHARGES

We do not charge our clients for handling complaints or disputes.

CONFIDENTIALITY

To maintain confidentiality in so far as that is reasonable all participants in the process should restrict the information about the complaint to those who need to know of the complaint in order to:

- refer the complaint;

- manage the complaint;
- provide advice and support in the process;
- review and decide upon appropriate complaint mechanisms;
- manage the workplace; and
- apply the process.

CBN will address all complaints in a confidential manner. Only the people directly involved in making, investigating or resolving a complaint will have access to information about it.

RECORDING COMPLAINT DATA

Our Risk & Compliance Team will keep written records of the complaint resolution process and outcomes, noting any regulatory requirements and actions. Complaint records will be filed and stored appropriately.

COMPLAINTS & DISPUTES – BREACH OF PROCEDURE

In the event of a breach in the Complaints & Disputes Procedure, the Breach is to be reported in the Company Failures Register and the resolution determined. It is to be determined after consultation with the Licensee whether this constitutes a material breach. The implications and further actions noted in the Breach Register.

DOCUMENT HISTORY AND VERSION CONTROL RECORD

Name of Document: Compliance & Disputes Procedure
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Date of next review: August 2019

Version Number	Version Date	Reviewed by	Amendment Details
V2	Nov 19	Emma Cansell	Rebranded and minor language updates