

New Disputes and Work In Progress

New Disputes

Ten years ago, in the Scheme's 1993 Annual Report, the Ombudsman stated:

"When the Scheme was announced in 1989, it was hoped that the existence of the Ombudsman Scheme, would, over time, lead to an increase in banks resolving complaints to the satisfaction of consumers without the need for the Ombudsman to intervene so that eventually consumers would need to make less use of the Ombudsman's office."

Now in 2003, for the first time in many years, the number of new disputes lodged with the Scheme fell. BFSO received 6,930 new cases during the year, a decrease of 13.3 per cent from the previous year.

The decrease suggests that there may be a reduced need for consumers to contact BFSO as an external dispute resolution body. These results may also indicate the following possibilities:

- consumers are finding the internal dispute resolution service within the banks more easily; and/or
- a greater willingness by banks to resolve disputes with customers.

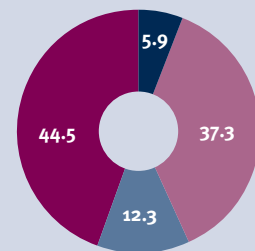
The number of hits to the BFSO website between January and June 2003 was 18,838. The improvements to the website during the reporting year included a 'jurisdictional checker' for use as a guide prior to lodging a written dispute with the Scheme. Those consumers whose disputes did not meet 'jurisdictional checker' criteria may have been less likely to lodge a written dispute.

The graph on the right shows the decrease in the volume of written disputes this year when compared to the increases over the past five years.

Work in Progress

At year's end, there were 1,402 open cases distributed as follows:

Distribution of Cases (%)



- Preliminary (not yet processed)
- With Bank
- Investigation
- Provisionally Closed

New Cases Received ('000)



Cases received but not classified ('Preliminary' stage)	83	5.9%
Cases referred to the bank and awaiting response ('With Bank' stage)	523	37.3%
Cases under investigation by BFSO ('Investigation' stage)	172	12.3%
Cases provisionally closed, pending acceptance of appeal of BFSO's assessment ('Provisionally Closed' stage)	624	44.5%