Home ownership dream becomes a nightmare with BOQ

Summary:
It's not just the Big Four that engage in dodgy dealings. Bank Of Queensland top scores for home loan disputes.

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Author: Cliona O'Dowd
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BOQ still worst for home loan disputes

Bank of Queensland has topped the list as Australia's worst offender for disputes with home loan customers, according to the financial ombudsman.

It is the fourth year in a row the bank has headed the list, with the number of disputes per 100,000 customers barely improving in the past two years, although the numbers have trended downward since 2014.

For every 100,000 home loan customers, BoQ was involved in 79 disputes during the year. Of those, 40 per cent were resolved by agreement, with 29 per cent in BoQ's favour, according to the Financial Ombudsman Service.

Commenting on the findings, a BoQ spokesperson said the bank was working with the FOS to get a deeper understanding of the disputes in the home loan category.

"BoQ is dedicated to ensuring our customers' needs are properly met and has some of the highest industry standards in place to ensure we meet responsible lending requirements,'' the spokesperson said.

"Importantly, FOS has either found in favour of BoQ or the action was discontinued in about 45 per cent of cases.

"In March, BoQ appointed a dedicated customer advocate in line with the ABA six-point plan to improve customer experience and minimise the likelihood of future problems."

FOS received a record 39,479 disputes in the 2016-17 financial year, up 16 per cent from last year,

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with the increase largely driven by growth in general insurance disputes.

Home loans accounted for 10 per cent of all disputes FOS accepted in the year, while credit cards accounted for 14 per cent and personal loans 8 per cent.

Suncorp Bank was second-worst for home loan disputes, with 53.1 per 100,000, while Bankwest rounded out the top three with 45.6 per 100,000.

A Suncorp spokesperson said the bank worked closely with its customers to help them manage their finances.

“When disputes arise and we are unable to reach an agreement, we make our customers aware of the options available to them, including the Financial Ombudsman Service,’’ the spokesperson said.

“We recognise that we have more work to do and will continue to review our internal processes to deliver better outcomes for our customers. Our office of the customer advocate is identifying areas for improvement to make it easier for customers when things go wrong.”

Top financial disputes

Credit cards

Name	Dispute/ 100,000	Resolved (%)
American Express	38.6	59
HSBC	29.5	57
Bank of Melbourne	22	81
Latitude Finance	19.3	71
Bankwest	18.3	52

Home loans

Name	Dispute/ 100,000	Resolved (%)
Bank of Qld	79	40
Suncorp	53.2	64
Bankwest	45.6	47
HSBC	44	55
Bendigo Bank	39.9	4

Source: Financial Ombudsman Service

Among the big four, **ANZ** was the worst performer with 30.1 disputes per 100,000, while **CBA** followed closely with 29 per 100,000.

American Express had by far the worst record for credit card disputes, with 38.6 per 100,000.

HSBC, with 29.5 per 100,000, was second, while Bank of Melbourne, with 22 per 100,000, was third worst.

Meanwhile, payday lender **Rapid Loans** was involved in the most disputes for personal loans, with 88.7 per 100,000. Payday lending has surged in the past decade as more and more households come under financial stress.

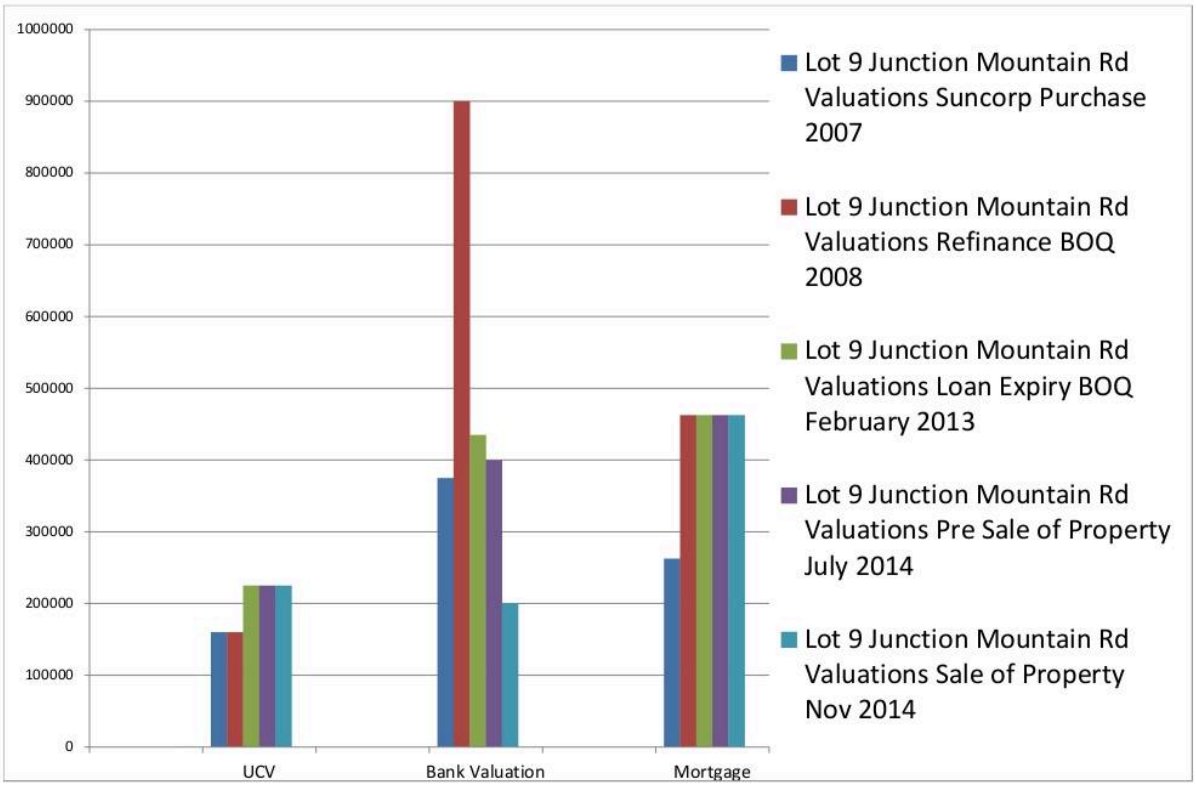
Despite the record number of cases, the average time it took FOS to resolve disputes fell to 54 days in the 2017 financial year, compared with 62 days last year.

BRN Comments - For every person that complains to FOS there are many more that don't. This is because many people are so damaged by the loss of their home and savings they just haven't got the energy to fight. Also many people don't realise that the bank set them up. Often the bankers know they are lending too much to someone but if they were honest they would lose their commission. Far better to get a customer in trouble and take their home once the dodgy deal falls over. People in that situation often blame themselves for not being able to manage the loan. Some people just can't believe that a banker would deliberately do them in. It's a nasty business and it is in need of deep and meaningful reforms.

BOQ has debts to pay and BRN friend and bank warrior Michael Sanderson is on the warpath fighting for "Equality of Arms" .... for his family and for all of us with his call for justice via legal reforms that would give us equal footing in our courts against the banks.

Below: The dodgy valuations BOQ used to decimate Michael's retirement.

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