

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

Bendigo and Adelaide Bank

BAB15QON:

Dr MULINO: It will be interesting, over time, to see the results of those processes post royal commission compared to pre royal commission to see if those new systems are actually leading to a material change. It would be great to get any information on pre and post comparison if that's possible at this stage.

Ms Gartmann: Sure, I'm happy to provide that.

Answer:

Rural Bank has undertaken substantive annual reviews of its valuations processes from 2013, continuously refining and improving the policies and process. It commenced building an internal valuations capability in 2015 and as of February 2020 all valuations will be undertaken by either an external panel valuer or an internal valuer. The only exception to this is for a limited number of small exposure customers, whereby Valuer General (or Council) land value assessments can be adopted.

The implementation of an internal valuations team has resulted in the integration of six certified practising valuers and support staff around the country. As full national coverage was achieved as of October 2019, data is limited, however our experience to date suggests that the following benefits are being seen:

- Greater property and valuations expertise resulting in more accurate valuations
- Improved identification and analysis of comparable sales evidence, also resulting in greater valuations accuracy
- Improved quality of data and property analysis
- Time savings for customer relationship staff, enabling them to invest more time with customers.