

Head Office

Technology Park, Madgwick Drive, Armidale NSW 2350

PO Box U631, University of New England NSW 2351

Telephone 132 067 **Email** enquiries@regionalaustraliabank.com.au

Web regionalaustraliabank.com.au

9 September 2024

Ivan Powell, Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Via Email: [REDACTED]

Dear Mr Powell

Inquiry into the Financial Services Regulatory Framework in relation to financial abuse.

I refer to your recent request for a response to the Parliamentary Joint Committee on Corporations and Financial Services (the committee) in relation to the above inquiry.

Regional Australia Bank, as a Customer Owned Bank, has recently contributed to the submission by the Customer Owned Banking Association (COBA). On that basis, this response will provide succinct information to avoid any duplication that has already been submitted.

Regional Australia Bank Ltd (RAB) provides the following detail in relation to your three (3) questions.

1. What specific policies, systems, processes or other safeguards does your business have in place to identify, respond to and report suspected financial abuse occurring to your customers?

Regional Australia Bank takes financial abuse and matters of this nature very seriously. As a customer owned bank, we not only have a duty to exercise reasonable care and skill in carrying out transactions for our customers, but the banks relationship banking model allows staff to understand when things change or look unusual for our customers.

Regional Australia Bank has a number of policies, systems and process that assist with identifying, responding and reporting suspected financial abuse including, but not limited to, the following:

- (i) Customer Owned Banking Association Code of Practice;
- (ii) Australian Financial Complaints Authority (AFCA) approach to financial elder abuse;
- (iii) Vulnerable Persons Guideline;
- (iv) Scam Prevention Strategy;
- (v) Staff training specific to supporting customers experiencing financial vulnerability and to be able to identify potential financial abuse;
- (vi) Account and Access Facilities Conditions of Use which allow the bank to respond immediately to taking action where there are identified occurrences of financial abuse; and
- (vii) Transaction Monitoring where the monitoring of account transactions for narrations or descriptions of signs of financial abuse, threatening or offensive messaging.

Head Office

Technology Park, Madgwick Drive, Armidale NSW 2350

PO Box U631, University of New England NSW 2351

Telephone 132 067 **Email** enquiries@regionalaustraliabank.com.au

Web regionalaustraliabank.com.au

2. What is the extent of suspected financial abuse identified by any such measures in place?

As at the date of this letter there are 50 active cases of customer financial abuse.

3. What is the impact of the shift of financial products to online platforms on the prevalence of, and ability of your business to identify, respond to and report, suspected financial abuse?

With customers shifting to digital channels it can make it easier for financial abuse to occur. This is due to the reduction in face-to-face interactions. Greater use of digital channels makes it more difficult to identify and support customers at risk of financial abuse. Digital channels require greater investment in technology to ensure the bank can detect unusual patterns of behavior.

The Regional Australia Bank website includes information on how customers can lock down or restrict their products and services via online banking or on the banking app to protect unauthorised use.

There are many ways customers are able to contact the bank which aims to make it easier to report potential financial abuse and therefore providing support to those individuals experiencing abuse.

Yours sincerely



David Munday

Chief Governance & Legal Officer