

*Private and Confidential*

12 September 2024

Committee Secretary  
Ivan Powell  
Department of the Senate  
PO BOX 6100  
Parliament House  
Canberra ACT 2600



**By email:** [REDACTED]

**Re: Inquiry into the financial services regulatory framework in relation to financial abuse**

Dear Committee Secretary,

We write in response to your request of 27 August 2024. Thank you for the opportunity to contribute to the inquiry. We recognise the important potential impact of this work and our role in our community, and we are committed to our customers' safety and financial wellbeing. We outline below our approach in detection, response and reporting of financial abuse.

**Policies, systems, processes that safeguard against financial abuse**

Our staff are trained to recognise signs of financial abuse and to respond with extra care. The teams follow the RRR model, which stands for Recognise (when a customer may be vulnerable, struggling or in crisis), Respond (with empathy and respect), and Refer (where they reach their role limitations and responsibilities).

Our practices, as a lender, are designed to protect and safeguard our borrowers from obtaining a loan because of financial abuse. For example, when assessing loans, we ensure that all borrowers must derive a direct benefit from the loan or they must seek independent legal and financial advice. Another practice designed to protect customers is during customer identification and onboarding, where our systems use both electronic and face-to-face verification of customer identity. This safeguards against financial abuse by fraud. And finally, if we become aware of a customer financial abuse, we will protect the customer's contact information for their safety, and their credit file so that the impact of the abuse does not hinder their future creditworthiness.

Anyone can experience financial abuse. If a customer or their authorised representative informs us that they are experiencing family violence, the loan is tagged to ensure our staff reviewing the loan are aware to take extra care and the customer does not need to repeat their situation unnecessarily. If family violence or other types of vulnerability are identified, then the customer is supported by a customer service specialist.

When potential financial abuse is identified, our staff follows a well-defined protocol. This includes escalation to a customer service leader, temporarily freezing the account (if relevant) to prevent further harm, contacting the customer discreetly to verify the activity, and providing them with support resources, including referrals to MoneySmart, 1800RESPECT or legal assistance if necessary. Since 2018, we have extended our Employee Assistance Program (EAP), which typically supports employees and immediate family, to our customers. EAP is a free and confidential service and provides access to coaching and counselling services via our provider, Converge International.

### **The extent of suspected financial abuse identified and online platforms**

Our processes have enabled us to identify and address cases of suspected financial abuse. Although only very few, examples include elder abuse by relatives, supporting customers experiencing vulnerability, and supporting customers experiencing financial coercion in domestic violence situations.

Our staff identify most cases as they receive ongoing training to spot warning signs. Sometimes, we learn about cases from Financial Counsellor referrals, who with the consent of our customer share with us their circumstances.

Each identified case is treated with importance, and we ensure that appropriate actions are taken to protect the affected individuals and we provide appropriate referrals for further support services.

We provide customer service almost exclusively via email and voice communication. Our online presence and capability are currently limited requiring customers to connect with us by email or voice for assistance. Hence, we have no basis to comment on question 3.

If you would like to discuss this response further, please contact me at [REDACTED].

Yours sincerely,

[REDACTED]

Peter Riedel  
Chief Financial Officer