

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

1 July 2024

Dear Mr Powell

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

In response to requests received by Newcastle Permanent and Greater Bank on 18 June 2024, Newcastle Greater Mutual Group Ltd (**NGM Group**) wishes to provide a response to the Parliamentary Joint Committee on Corporations and Financial Services (**the committee**) in relation to the above inquiry.

NGM Group offers retail banking services to more than 500,000 customers through our two brands, Newcastle Permanent and Greater Bank, following a merger of the two banks in March 2023.

NGM Group has contributed to the submission by the Customer Owned Banking Association (**COBA**), as an active participating member of COBA. For this reason, and to avoid duplication, we are providing a succinct response at this time.

NGM Group is a customer-owned bank with a true commitment to supporting our customers and giving back to our communities. One of the ways we achieve this is through our two charitable foundations. This financial year, Greater Charitable Foundation provided a donation to the Centre for Women's Economic Safety (**CWES**), to assist in the creation of a Money Clinic for the Illawarra region of NSW. We are proud to support CWES to assist women experiencing or recovering from economic abuse with important resources, services and support.

1. NGM Group has the following key measures in place in relation to combatting financial abuse:

- Vulnerable customer framework

[REDACTED] has in place a robust vulnerable customer framework, encompassing policy and [REDACTED] customer support and referral services; a dedicated working group to address [REDACTED] and strategy; and staff training and awareness.

- Consequences within Terms and Conditions

[REDACTED] Terms and Conditions for Newcastle Permanent and Greater Bank allow us to respond to [REDACTED] instances of abuse by cancelling or suspending a payment facility, refusing to open an account, [REDACTED] freezing or blocking accounts and closing accounts.  
[REDACTED]

The Newcastle Permanent Terms and Conditions suite was recently updated to explicitly prohibit the use of accounts or payment facilities for the transmission of any defamatory, offensive, abusive, indecent or harassing material. The Deposit Account Terms and Conditions state that using an account for causing harm or abuse is not tolerated by us.

- Transaction monitoring

Monitoring of outgoing and incoming transactions made via the New Payments Platform (**NPP**) channel is undertaken, where the value of the transaction is low, with a long accompanying description field. Any transactions flagged under these alerts are manually reviewed to determine appropriate actions. A customer sending offensive messages may receive a warning, and if they persist in sending, the customer would be exited, with appropriate notice. To date, we have provided warnings, however have not had cause to exit a customer. Where we identify a customer receiving offensive messages, we notify the sending bank via the NPP portal.

Please note this information is commercially sensitive and forms part of NGM Group's customer protection strategy. NGM Group does not give permission for this information to be shared and are unable to elaborate further on our specific rules given the sensitivity.

2. NGM Group does not maintain relevant data to enable the quantification of the extent and prevalence of financial abuse.
3. The consumer shift to digital channels can make it easier for financial abuse to occur, and a reduction in face-to-face interactions makes it more difficult to identify and support customers at risk of financial abuse.

NGM Group is committed to continuing to invest in supporting vulnerable customers, this includes the following initiatives which are underway or proposed:

- Introducing voice biometric capabilities into our contact centre interactions in FY2024, which uses Artificial Intelligence to help identify when a customer may be in distress and require additional support from staff.
- Exploring the possibility of introducing enhanced digital solutions such as giving internet banking users the ability to report or block unwanted transactions.
- Introducing an informative webpage to advise customers on what to do if they are experiencing financial abuse or other vulnerabilities.

If you would like further detail regarding any aspect of this response, please contact myself and I can provide that information as a matter of priority.

Yours sincerely



Alex Histon  
Head of Compliance



NGM Group

