

DESIGNED TO DISRUPT

Reimagining banking products
to improve financial safety

CWES DISCUSSION PAPER

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Acknowledgments

Thank you to the members of the CWES Lived Experience Advisory Panel and other victim-survivors who have shared their experiences and suggestions in the hope that they can help make things better for others. We take our lead from you.

Our sincere thanks also to the Australian Banking Association for coordinating data requests. And to the eSafety Commission, Economic Abuse Reference Group and staff of major banks for generously providing time, expertise and advice on direction and drafts. Your insights and willingness to help reinforce our belief in the power of collective action to address customer and community vulnerability.

CWES acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people reading this.

Report design

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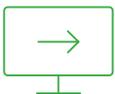
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ABOUT CENTRE FOR WOMEN'S ECONOMIC SAFETY

We exist to support women experiencing economic abuse in the context of domestic and family violence and to reduce its impacts.

About Rebecca Glenn

Rebecca founded the Centre for Women's Economic Safety (CWES) in 2020 building on a longstanding passion for women's financial wellbeing. She is a Churchill Fellow and wrote her Churchill report on service responses to women experiencing domestic economic abuse in the UK, USA and Canada. Rebecca has worked in the corporate, government and not-for-profit sectors with a focus on domestic violence, financial wellbeing and communications. She has Masters degrees in Business Administration and Media Practice. In 2021 she was named an AMP Tomorrow Maker.



Visit our website
for more details:
www.cwes.org.au

About Catherine Fitzpatrick

Catherine works with businesses to make products and services more flexible, safe and equitable for customers. She has established and led specialist customer vulnerability teams at two of Australia's leading banks. After instigating analysis that found patterns of abuse in payment descriptions, Catherine successfully advocated for the Australian banking industry to take collective action to respond. She is known for her passion for gender equality and the role business can play to end domestic and family violence, and was recognised nationally in 2018 as an AFR 100 Women of Influence. She advises the Commonwealth Government as the only business representative appointed to the National Plan Advisory Group in 2021. She is also a member of the Monash Safe and Equal @ Work Advisory Board.

INTRODUCTION

This series *Designed to Disrupt*, examines how the finance sector can play a key role in preventing economic harm by adopting Safety by Design principles into the design of its product and services.

For too long, domestic and family violence has been seen as a women's issue and one to be tackled by a small, albeit vocal and committed, cohort of specialists. Thankfully that is shifting and we are starting to see organisations across the ecosystem take up their responsibility to be part of the solution.

Last year the Centre for Women's Economic Safety (CWES) published a report that found people experiencing financial abuse were more likely to seek help from their bank than they were from a domestic and family violence service.¹ We regularly see women whose experiences of economic abuse have involved the misuse of banking products by perpetrators.

Too often, the process of disentangling finances from an abusive partner is stressful, time-consuming and costly and feels like an extension of the abuse they have been experiencing.

Women are more than twice as likely as men to experience economic abuse, and they do so against existing structural economic inequity which compounds the negative consequences. Combined with an insufficient public safety net, it can force women to choose between violence and poverty.²

Members of the CWES Lived Experience Advisory Panel have had first hand experience of these compounding impacts and recognise the potential for banks to do better:

"My message to financial institutions is: do not become active participants to intimidation, harassment, and financial abuse. Recognise perpetrator behaviours for what they are. I was not to blame and could do nothing to stop the perpetrator's choice of behaviour, yet I was ultimately blamed for it and expected to resolve the situation." - L

"Banks pose a threat to victim-survivors as they are another way money can be withheld or abused. But banks can also turn the whole situation around and bring healing to a person financially." - T

A key finding of my Churchill Fellowship report into responses to women experiencing domestic financial abuse was that the best response would be a more equitable society; one that dismantled the structural and system barriers to economic justice. As a result CWES aims not only to support women directly, but indirectly by advocating for product, service, systems and structural change to reduce the impact of economic abuse.

While our lens for this work is women's experiences of intimate partner violence, many of the proposed solutions will also benefit men, non-binary and gender-diverse people experiencing violence and abuse from partners, family members, household members, or carers.

I established CWES because I was staggered by the scale of injustice being experienced by women subject to economic abuse by partners and family members. Not just from the power and control being exerted and the consequent financial and emotional stress, but from the many ways this harm was compounded by services and systems. If we are to improve women's economic safety, we must look at some of the tools being used to undermine their safety.

Australia's banks are to be commended for improving their responses to people experiencing domestic and family violence, both in their workforce and among their customers. Now it's time to contribute to prevention by reimagining products through a financial safety lens.

- **Rebecca Glenn**
CEO, Centre for Women's Economic Safety

EXECUTIVE SUMMARY

Designed to disrupt: Reimagining banking products to improve financial safety examines the opportunity to redesign financial products to make it harder for financially abusive customers to inflict harm on others.

Perpetrators of financial abuse as a tactic of domestic and family violence use money to control their victims, with devastating impact. Our objective is to contribute to finance industry and regulatory consideration of a new Financial Safety by Design framework to prevent and lessen this harm.

This paper, the first in a series, focuses on banking which has made significant strides to improve the experience and outcomes for customers who disclose domestic and family violence. The industry's focus has primarily been on addressing the harm to victim-survivors after it has occurred but it has also taken the first steps to introducing Financial Safety by Design. Australian banks have been leading in their approach to tackling abuse sent by customers using digital payment platforms, attempting to prevent harm by intervening early and sending a strong message to perpetrators that bank accounts are no place for abuse.

We want to encourage banks to go further. We argue that there is enough evidence of the weaponisation of other banking products and features to start reimagining their design.

Contemplating the ways that a product might be misused and taking steps to prevent or minimise the harm will provide safety and protection for victim-survivors, reducing the potential for financial harm, emotional distress, mental ill-health, injury and fatality. It is also likely to reduce the number, complexity and cost of complaints. And, in the same way that seatbelts and airbags protect passengers not just from reckless drivers but other hazards on the road, the development of additional safety features has benefits for other bank customers and can enhance trust, loyalty and reputation.

Our paper provides examples to spark discussion and encourage effective action. We want the people who design joint accounts, credit cards, loans and digital services to take a fresh look at traditional products that have been developed for customers with healthy relationships and equal access to money, and to consider other ways to deliver their benefits while also protecting people from harm.

As a starting point, we urge every bank to commit to terms and conditions that make it clear that:

- A bank account is no place for abuse
- Financial abuse has serious impacts on victim-survivors
- Customers who misuse products and services will be warned or exited from the bank
- In some circumstances, their tactics will be reported to law enforcement.

The concepts outlined here can be applied to other parts of the finance sector such as general insurance, superannuation and life insurance. Armed with the growing body of research and real-life experiences, we believe the finance sector can demonstrate its obligation to consider customer vulnerability in product design and distribution by making changes to their existing suite of products to prevent financial abuse. There may also be commercial opportunities to develop new products that enhance financial safety and promote more equitable outcomes.

Similarly, there are lessons for other essential service industries where financial abuse occurs such as energy, water and telecommunications.

Delegates to the 2021 National Summit on Women's Safety called for the National Plan to End Violence Against Women and Children 2022-32 (the Plan) to recognise that there is a role for business to prevent gendered violence not only by fostering gender equality in their workforces but also in the design of products and services.³ This action has been adopted in the Plan.⁴

Until we achieve greater strides in gender equality and address the drivers of violence against women, financial abuse and gendered violence are likely to continue.

In the meantime, and despite the challenges, banks can:

- Make it harder for people to misuse financial products as a tactic of coercive control, thereby preventing abuse and providing greater protection for their victims
- Send a clear signal that the abusive behaviour is unacceptable, and
- Demonstrate they will continue to improve their support for victim-survivors.

This paper proposes a pathway.

THE OPPORTUNITY

With the release of the National Plan to End Violence Against Women and Children 2022-2032, we are half way through what should be a generational change. Yet gendered abuse, control and deaths continue.

The rates are worst for those who are already vulnerable, such as people experiencing other forms of oppression, marginalisation and discrimination; First Nations women, LGBTQI+ people, women with disabilities, older women, children and culturally and linguistically diverse communities. Our collective action needs to do more to prevent violence while ensuring a safe response and supported recovery. And this must be anchored by the diverse experiences of victim-survivors.

Ending gender-based violence requires the achievement of gender equality through long term, focused investment and attention to changing attitudes and behaviours. It is a whole of community effort which must be led by governments and supported in every setting.⁵ But while the hard, slow slog is underway, there is an opportunity to accelerate efforts through targeted action from business that reinforces that violence against women is socially unacceptable and has consequences.

Many businesses are already playing a meaningful role in preventing violence through efforts to improve gender equality in the workplace and to support their customers and employees. A number are also turning their minds to preventing and responding more flexibly to technology-facilitated abuse and financial abuse through the design and delivery of their products and services.

The technology sector, through an innovative collaboration spearheaded by the eSafety Commissioner (eSafety), is implementing Safety by Design practices to minimise online threats by anticipating, detecting and eliminating online harms.⁶ In the finance sector, Australian banks have applied this world-leading approach to respond and intervene in technology-facilitated abuse through payments platforms.⁷

General insurers have added a clause to policies to allow a claim to be paid in some circumstances of violence and intimidation, even when they are not legally required to do so.⁸ Superannuation funds have introduced simpler forms to make splitting of assets easier, faster and fairer.⁹ And credit providers are working to address issues associated with credit risk and reporting.

The Australian finance sector has been at the forefront of business responses to customers experiencing domestic and family violence, with the development of industry Codes that aim to educate and drive consistency in support for customers who are vulnerable to financial harm.

In banking, monitoring of Code compliance and experience of customer complaints shows the sector is still maturing in its approach, with both leading and poor practice. New regulation that requires consideration of vulnerability in the design and distribution of financial products is still evolving in business practices.

In this context, there is an opportunity for the finance sector to continue to prioritise women's economic safety through building safety principles into every facet of the product life cycle. Not just to ask 'should we', but to embrace the fact that few other businesses are better placed to protect women against financial abuse and its devastating health and economic impacts for them and their children.

This paper focuses on banking, recognising victim-survivors are more likely to talk to their bank about economic abuse than contact a specialist domestic violence service¹⁰ – to plan to escape, to access funds, to disentangle from an abuser or to rebuild – and the opportunity for banks to prevent or disrupt financial abuse. It highlights the specific ways bank products and services can be misused by perpetrators to inflict harm and suggests potential design changes to disrupt the abuse and protect victim-survivors. It asks for products to be reimagined to improve women's financial safety. And it identifies potential policy and regulatory changes that would enable improvements.

FINANCIAL ABUSE

Financial abuse in intimate partner violence is “a pattern of control, exploitation or sabotage of money and finances” that undermines a person’s financial security and limits their potential for self sufficiency.¹¹

It is a sub-set of economic abuse which involves the control, exploitation and sabotage of other economic resources like housing, transport, and employment. While an estimated 90 per cent of those who seek support for domestic and family violence are affected by economic abuse,¹² it is still unrecognised by many people who experience it.¹³

But the impact on victim-survivors of a lack of or limited access to money, unsurmountable debt and poor credit history is becoming better understood.

It can erode a woman’s self-esteem and confidence.¹⁴ The anxiety and financial stress related to not being able to afford health care, food, utility bills and repaying debt¹⁵ can make her sick.¹⁶

Without intervention, it can destroy her ability to rebuild and gain financial independence and economic security, long after she has left an abusive partner. Separation can be the catalyst for financial abuse, or more serious financial abuse,¹⁷ and an escalation of physical violence.

Mothers who separate from violent partners experience a drop in income of 34%.¹⁸ Delayed property settlement, forced sole liability for joint debt, bankruptcy and insolvency, debt arrears and challenges with repairing credit ratings worsen financial hardship.¹⁹ Without support to pay off debt or to repair her credit score, she may have difficulty getting housing, employment and essential services. And without help to heal and rebuild, she may never recover economically.²⁰

And that’s if she survives. Perpetrators use coercive and controlling behaviour like making a victim-survivor financially dependent to trap them and make it difficult to seek help or to leave.²¹ When men use money to control women, they are also more likely to use violence against them.²² Coercive controlling behaviours were present prior to 111 of 112 intimate partner homicides reviewed by the New South Wales Domestic Violence Death Review Team.²³

The direct costs to Australian victim-survivors of financial abuse have been estimated at \$5.7 billion a year, with costs to the economy estimated at \$5.2 billion per year in lost productivity, additional health care costs, foregone revenue and additional expenditure.²⁴

Members of the CWES Lived Experience Advisory Panel have provided examples of their own experiences.

“(He) refused to pay loan repayments during the separation period and the home was going to be sold in about 6 months time. I was not working at the time and ... (he) told me that my credit rating would be impacted.” – F

“He maxed out the credit cards and the bank pursued me to repay his debts. I almost lost my house and my mind. My stress and fear, which was already high, escalated. The impact on myself and my children was inexcusable.” – H

“I would be doing groceries with our two young children or putting fuel in the car and the credit card would decline. It wouldn’t be until this happened that I found out that he had either cancelled the card or lowered the credit limit to an amount well below what it had been previously. It was embarrassing and made things extremely difficult as I couldn’t then buy what was needed.” – K

HOW REGULATORS ARE RESPONDING TO FINANCIAL ABUSE

Regulators are increasingly requiring the finance sector to consider customer vulnerability and to take action to reduce foreseeable harm within the firm's control. However, they have not yet explicitly contemplated the **misuse** of products for financial abuse.

In 2018 the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry²⁵ shone a light on practices across banking, superannuation, insurance and advice that resulted in poor customer outcomes. A number of case examples focused on the additional disadvantage experienced by customers in vulnerable circumstances from predatory or poor practices. Customers gave evidence of their emotional and financial hardship; consumer advocates told of their frustration with the lack of responsiveness and rigidity of large financial institutions to find solutions to financial distress and with a regulatory framework that did not adequately address their concerns.

The Royal Commission was a powerful catalyst for change, resulting in new laws and regulations, updated industry Codes of Practice, and new policies, processes and practices within the finance sector, including to improve outcomes for customers experiencing vulnerability. The Australian Securities and Investments Commission (ASIC) undertook investigations into referrals and case studies, resulting in civil and criminal penalties to date of \$138.38 million.²⁶

One of the relatively new regulatory changes is the Design and Distribution Obligation (DDO) regime, which came into effect in October 2021. The DDO was recommended by the Financial System Inquiry²⁷ in 2014 to ensure products are suitable for customers – thereby promoting positive consumer outcomes and building confidence and trust in the financial system. A similar Consumer Duty was introduced in the United Kingdom in July 2022, with finance sector firms given 12 months to comply.²⁸

In implementing the obligation, ASIC requires product issuers to “consider consumer vulnerabilities, and how those vulnerabilities may increase the risk that consumers are sold products that do not meet their objectives, financial situation and needs, and will lead to poor consumer outcomes.”²⁹ These vulnerabilities include family violence. ASIC also requires firms to publish target market determinations that demonstrate how individual product features and attributes meet the objectives, financial situation and needs of customers for whom they are designed. Regulatory guidance does not require specific consideration of how products may be misused to cause customer harm.

It could be argued that customers who experience domestic and family violence need their banking products to offer protection from financial abuse, much like fraud protection is offered more broadly.

Australia's four major banks have published around 140 target market determinations for consumer-facing products.³⁰ None refer specifically to consideration of customer vulnerability, family violence or safety, but a number cite trends in complaints, arrears, hardship arrangements or persistent debt indicators as review triggers.

There is little publicly available data on bank complaint or hardship trends relate to domestic and family violence or financial abuse.

However, the Australian Financial Complaints Authority (AFCA) has issued guidance on its approach to managing issues it commonly sees in complaints about joint accounts and family violence some of which involved financial abuse tactics.³¹ Consumer advocates have also called for AFCA's scope to be widened so that victim-survivors are no longer prevented from accessing AFCA following a family law property settlement judgment.

The DDO complements responsible lending obligations which require credit licensees not to provide credit to customers if the contract is unsuitable.³² The regulator expects lenders to make more enquiries of customers where, among other things, they will obtain little or limited benefit from the credit product or there are indicators of financial abuse.

In practice, this means staff must be trained to identify signs of potential financial abuse and take steps at origination to avoid selling a credit product to a customer who is being coerced into taking out the debt. However, it's difficult to identify without a customer disclosure. And it potentially increases the risk to victim-survivors if credit applications are refused or disclosures are made without a safety plan. With the increasing digitisation of the economy, and the move to fast digital mortgages, this limited protection is reduced even further.

In 2015 the Victorian Royal Commission into Family Violence recommended an amendment to the National Credit Code (NCC) to include family violence as a ground for financial hardship, and education for consumers and credit providers.³³ In July 2022, ASIC issued a no-action letter which allows banks not to notify a perpetrator of hardship support provided to the victim-survivor who is a joint debtor.³⁴ It outlined the need for more detailed policy consideration of NCC requirements to notify joint account holders of hardship variations to loan contracts in cases of domestic and family violence.

Commonwealth, State and Territory Attorneys-General have agreed to work together on a coordinated, national approach to coercive control.³⁵ The consultation draft of national principles recognises the impact of financial abuse and the role of bank policies to help prevent financial abuse.²¹

The new International Standard on Consumer Vulnerability (ISO22458) requires organisations to proactively “understand, anticipate and meet the needs of consumers in vulnerable situations ... (and) design and deliver inclusive services that prevent or minimise harm, rather than responding retrospectively to consumers’ problems after they have occurred.”³⁶

A number of regulatory changes or guidance notes have been made that enable banks to improve outcomes for those experiencing domestic and family violence, such as more flexibility to help those wishing to open a bank account without suitable identification.³⁷ AUSTRAC has also issued guidance on responding to abuse in payment descriptions (see page 17).

Some regulatory impediments remain, for example:

- The independent review of the mandatory Privacy (Credit Reporting) Code has proposed changes to recognise that Australia’s credit reporting framework needs to address domestic and family violence.³⁸ The Australian Retail Credit Association, which develops the Code, is working on guidelines to provide greater protection for victim-survivors that will include not reporting or removal of default and repayment history information and simplification of credit reporting corrections processes.³⁹
- The Privacy Act Review contemplates an option to extend the Act to individuals to explicitly recognise the harm caused by misuse of personal information in the perpetration of domestic and family violence, and to provide redress similar to the approach in New Zealand.⁴⁰ Consumer advocates and the Australian Banking Association (ABA) have called for the review to identify the key issues faced by vulnerable customers and barriers faced by banks in acting appropriately and examining and recommending a potential solution to avoid unintended consumer harms. Commonwealth Bank has recommended guidance be developed on how the proposed fair and reasonable test would apply to proactive and protective measures to detect and intervene in financial abuse.⁴¹

There is increasing regulatory attention to the issue of finance sector customer vulnerability and financial abuse – but legislation and regulation always follows a shift in community awareness and expectation. At what point would regulators move to address the issues identified in this discussion paper?

HOW BANKS ARE RESPONDING TO FINANCIAL ABUSE

Money and technology are integral to our lives. The banking sector is continuously designing products, features and digital tools to make our financial decisions easier, faster and more understandable. It's making information about money more accessible and inclusive, and delivering digital tools to enhance customer financial wellbeing.

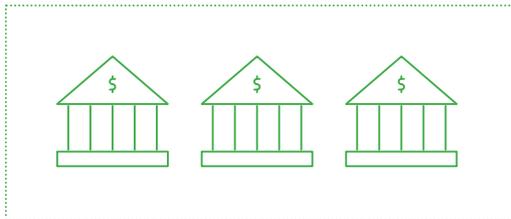
More attention is being paid to whether the products are achieving the intended outcome, being sold to the right customers and not causing financial harm.

Banks have established specialist customer vulnerability teams, implemented new processes and trained staff to be on the look out for financial abuse and to take extra care with victim-survivors of domestic and family violence.⁴²

Banks publish limited data on the number of customer matters involving domestic and family violence or financial abuse.

Data provided for this report is likely to underestimate the support provided, as it does not include customers who disclosed to branches or call centres.

Three of the major Australian banks reported⁴³ providing support for a combined total of nearly:



52,000 customers

experiencing vulnerability in a 12 month period, including:



1,300 customers

experiencing financial difficulty and domestic and family violence.

Additional data provided by the ABA for this paper shows:



13,000 customers

experiencing domestic and family violence called one bank's specialist team in a 12 month period.



1,006 customers

customers disclosed domestic and family violence to a second bank's specialist team in a 12 month period, of which almost half related to financial hardship.



506 hardship applications

were received in a 12 month period where domestic and family violence was raised, representing 3% of overall hardship applications.

Banks report offering a range of support to victim-survivors including account safety and security, crisis support including access to vouchers and accommodation, hardship arrangements, debt waivers, ex-gratia payments, repairing credit reports, referrals to external support or statutory authorities and de-linking payID. Banks also report taking action against perpetrators of abusive payments including sending warning letters and closing their accounts.

Banks currently rely on customer disclosure. There are a number of challenges that banks encounter in identifying and responding to financial abuse, including:

- Difficulty spotting indicators of abuse with the shift to digital banking, accelerated through the pandemic
- Inconsistent State and Territory laws that make it unclear to which authorities bank staff can escalate financial abuse concerns
- Distinguishing financial hardship from financial abuse given the customer data can look the same
- Managing the potential conflicts between privacy and consent requirements and industry Code obligations to provide extra care to vulnerable customers
- Understanding different socio-cultural arrangements and customs.⁴⁴

Both the ABA and Customer Owned Banking Association (COBA) have Codes of Practice that outline bank commitments to take extra care with customers experiencing vulnerability.⁴⁵

In April 2021, the ABA updated its voluntary guidelines of good industry practice to prevent and respond to domestic and family violence and financial abuse, which also includes elder financial abuse.⁴⁶ The guidelines reference requirements of the Banking Code of Practice and outlines what banks should do, including changes that will make products and services safer. Banks had a year to implement necessary changes.

The ABA's guideline on customer vulnerability is yet to be released. One of the challenges in developing the guideline has been how to balance the expectation of customers and consumer advocates that customers should not have to tell their story repeatedly, against Privacy Act obligations related to consent, documentation and recording of sensitive personal information.

In practice, it is rare that a customer discloses their experience of domestic and family violence to a business without the expectation that it would be taken into account in service delivery. Typically, customers reveal distressing, detailed accounts of their lives in the hope of an empathetic, confidential and flexible response with safety at the heart.

For banks, the challenge is to ensure a customer has provided informed, explicit consent for them to capture relevant notes securely in a system that is available only to relevant staff and protects their privacy and safety.

While consumer advocates have welcomed highly developed processes among the major banks, they remain concerned there is a lack of consistency both between banks and within the same bank and they have called for consideration of potential family violence risks when designing products and granting credit.⁴⁷

WEAPONISATION OF PRODUCTS AND SERVICES

There is a growing body of evidence about financial abuse. However, there is still a lack of broad understanding about how bank products and their features may be misused to cause harm in the context of domestic and family violence (the focus of this paper), elder abuse and cultural abuse.

Perpetrators of domestic and family violence use a range of tactics – some of which are inadvertently facilitated by the products, features and services banks sell.

These tactics may be further enabled or exacerbated unintentionally by banks through poorly designed systems and/or processes. For example, letters with details of a victim-survivor's new address and safe account may be sent in error to a perpetrator who discovers their partner is planning to leave them or is alerted to their victim-survivor's secret location. Or Family Court orders are not implemented which can result in long, drawn out property settlements and financial hardship.

Banks typically respond to these issues on a case-by-case basis, tailoring solutions for each customer. It may involve seeking a correction to the victim-survivor's credit report, deferring loan repayments, restructuring or waiving part or all of a debt or waiving fees and charges as part of a hardship plan. It may also involve referrals to external specialists such as financial counsellors or domestic and family violence support services.

While these are important and compassionate steps, it may be possible to eliminate or reduce the need for these interventions with improved product design.

For example:



Credit cards are opened within minutes through online portals in the name of victim-survivors without their knowledge, with every application registering on their credit score and building an inaccurate and potentially damaging picture of their financial health



Withdrawing all cash from joint accounts or redraw facilities without the knowledge or consent of victim survivors



Legally binding property settlement orders to refinance home loans are ignored by perpetrators, forcing victim-survivors to seek support for mortgage repayments they can't afford while trying to disentangle from their ex-partner



Instant receipts or real-time transaction notifications are used to stalk a victim-survivor



Payment descriptions are used to send unwanted, threatening, abusive messages.

VOICES OF LIVED EXPERIENCE

"We had around \$12,000 in redraw against our home loan for the home we lived in. When I left, he stopped paying the mortgage, and so the payments were taken from the redraw funds. By the time we did our property settlement, all of the redraw was gone. He had been earning a full time salary without having to make any rent/mortgage repayments."

- K

"My birth father was abusive and very violent. I had been left money as an inheritance and part of that was half a unit for a house but he took control of that ... in my late teens/early 20s. He took money from the unit I was left and took out a mortgage in my name. He used coercive control to make me sign the papers. I had no power in any of these situations and the products were just kind of done. I was terrified to say no. I think banks and all of those corporations need to understand that as a child it's more complex and more difficult and harder to prove DFV and it is only now starting to be acknowledged that we are victim-survivors in our own right."

- T

"We separated and he refused to pay his share of the mortgage, rates, insurance etc even though he was on \$72,000 and I was unemployed after being made redundant. I contacted the bank about reducing the payments to interest only or getting them to chase his share given he had plenty of money. They refused; they said they don't care where the money comes from as long as it gets paid. I asked them if I could do interest only payments and they said no he has to agree. I contacted him about doing that and he ... refused. He kept telling me the bank was repossessing the house and I will be homeless. I knew nothing about it as they hadn't sent anything to me so I kept having to ring the bank to check. After many months I finally got the bank to agree to interest only payments."

- M

"The moment (he) was removed from the house (after) a Police obtained IVO, (he) ceased paying the mortgage for the family home. And he told his best friend, who was living in the investment property, to stop paying his rent. At this time, both mortgages were well ahead by a few thousand dollars. For about three to four months no mortgage payments were made on either property. The re-draw facility covered the lack of payments. Then the bank started issuing letters of demand."

- L

TAKING ACTION

There is enough evidence and examples from victim-survivors, consumer advocates, and bank-specific customer complaints, risk incidents and compliance breaches to document and analyse the ways banking products are weaponised and **to take action**.

We know that relationships end, power imbalances exist, and financial abuse is happening, yet financial products are designed as if relationships are healthy, couples make decisions jointly and people don't exploit others.

It is imperative that banks contemplate these real-life scenarios as part of product development and review, in addition to considering how the product works for those in safe, healthy relationships.

The process must start with the assumptions – based on evidence – that in a coercive situation:

- Abusers will hurt their victim and find a way to subvert a product
- Passwords aren't always secret, and abusers are likely to have enough identifying information to impersonate a victim-survivor
- Consent is not implicit, nor a constant
- Surveillance is unethical
- Customers need support
- Impact matters more than intent.⁴⁸

There are 97 banks in Australia, with almost 200,000 employees serving 19.5 million customers.⁴⁹ While the reported proportion of their customers who have disclosed they are experiencing domestic and family violence is small, statistics suggest many more customers will be experiencing similar problems.

Employees can also be victim-survivors of domestic and family violence, which means companies need to have internal policies in place to support employees, including if they are receiving and handling reports of domestic violence and family violence from customers. Data published by the Workplace Gender Equality Agency shows more than 90 per cent of banks have formal policies or strategies to support employees experiencing domestic and family violence, including 76 per cent providing paid leave.⁵⁰ There is no equivalent data set on policies and strategies, to support customers experiencing domestic and family violence.

At the moment, banks manage each instance on a case-by-case basis, meaning there is little transparency about what will happen, customers are uncertain about their rights and the process is slow and uncertain. What might appear to be the obvious solution may not be the best or safest outcome. While there will always be complex scenarios that require an individualised response, we believe that many matters could be avoided or have a better, quicker outcome with improved product design.

Importantly, with greater awareness and understanding of these issues, it is not good enough to do nothing differently.

Not just given the personal and economic impact but also when this could be construed as tacitly condoning the abusive behaviour – one of the four drivers of gendered violence against women.⁵¹

It is possible to incorporate Safety by Design considerations and features in product and service design beyond the technology sector, to reduce the risks, limit the ability of perpetrators to extend their abuse through financial products, and provide stronger protection to the victim. And where it is decided that it is too difficult or costly to make such changes, to develop response processes to rapidly minimise the harm.

"For victims, the psychological and emotional toll of attempting to resolve debts at the same time as ensuring their own personal safety cannot be understated."

- **Victorian Royal Commission into Family Violence, 2015**

"When we fail to explicitly design for groups who may be harmed, we unintentionally prioritize abusers."

- **Designing for Safety, Eva PenzeyMoog, 2021**

APPLYING SAFETY BY DESIGN

The eSafety Commission has developed Safety by Design for the technology sector to minimise online threats by anticipating, detecting and eliminating online harms before they occur.

The holistic approach includes a set of principles that position user safety as a fundamental design consideration.

The principles are:

- 1 Service provider responsibility.**
The burden of safety should never fall solely upon the user.
- 2 User empowerment and autonomy.**
The dignity of users is of central importance.
- 3 Transparency and accountability.**
Transparency and accountability are hallmarks of a robust approach to safety.

These principles are supported by interactive assessment tools, resources for investors and financial entities, and engagement with the education sector to embed Safety by Design into multi-disciplinary curricula around the world.

The assessment tools take participants through sets of questions to ask what safety systems, processes and practices are in place within their business. They also showcase current good practice using evidence-based resources, examples and templates, and provide guidance on ways to improve, incorporate safe and inclusive design, and enhance user trust.

A similar approach can be applied to the design and distribution of financial products to incorporate safety features that pre-empt how they can facilitate harm, protect victim-survivors, disrupt abuse and hold perpetrators accountable.

The Safety by Design principles are universal and have global applicability, but a tailored diagnostic tool for the finance sector would drive consistency of understanding and action on financial abuse, as well as technology-facilitated abuse.

Two guides developed in the last year lay the preliminary groundwork for driving change to product design: Support My Economic Safety⁵² and the Supporting Women's Financial Safety⁵³ guide for the finance sector.

Support My Economic Safety urges financial institutions to ask themselves:

- Where and how are we listening to voices of lived experience of domestic and family violence?
- What challenges are people with lived experience of DFV having as a result of our products, services, systems and practices?
- Who benefits from the way we do things now?
- In what ways could we better support people experiencing or rebuilding from economic abuse?
- Who can decide to do things differently in our context?

Supporting Women's Financial Safety provides a framework for the successful implementation of preventative actions on financial abuse. It draws on eSafety's Safety by Design and relies on a holistic approach to policies, processes, products, services and culture. It starts with understanding that:

- Perpetrators manipulate victim-survivors and will use products and services to achieve this end
- The burden of dealing with abuse often rests with the victim-survivor to firstly identify that it is happening to them and then seek help or make a report
- Interactions with the financial service system are not equal for everyone – inclusion and accessibility are foundational.

With that knowledge, the guide provides suggestions on how product designers can make changes that will lessen the likelihood or stop abuse, minimise the risk of harm, or, where it is decided within an ethical framework that it is too hard or expensive to address, ensure that victim-survivors are supported to cope.

It also calls on the finance sector to continue to share information, drive consistent standards and champion for change that address systemic barriers across all sectors of the economy, including utilities, councils, government, legal centres, financial counsellors and community groups.

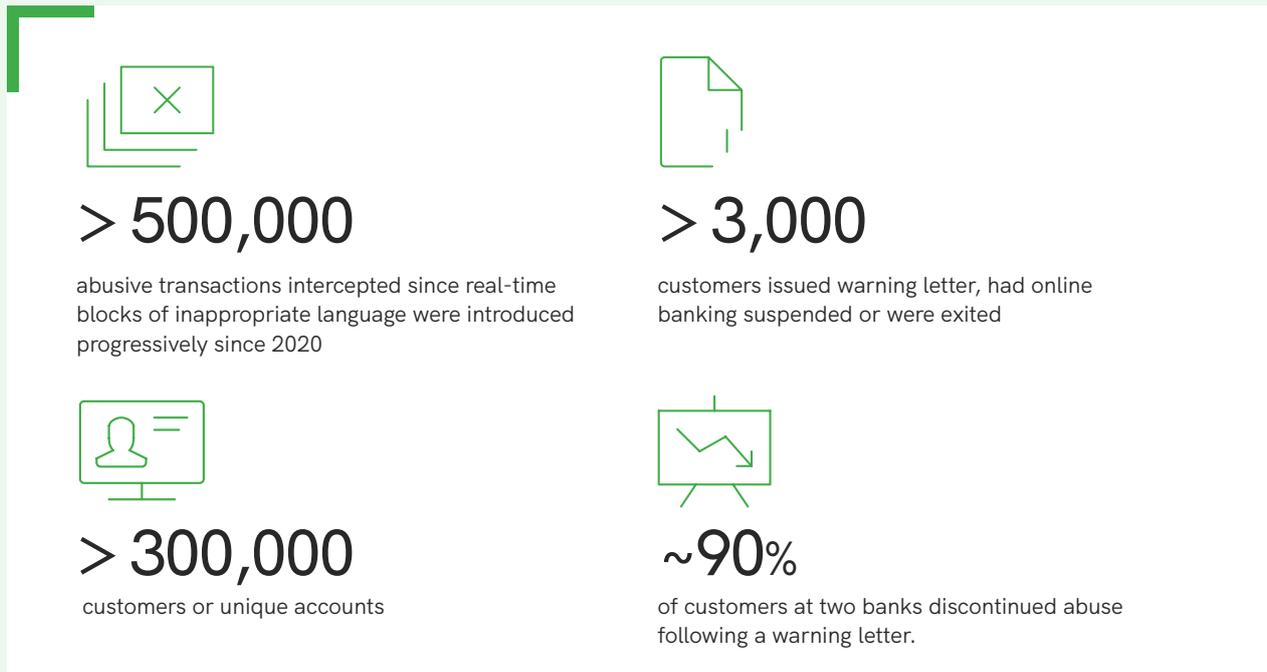
We believe the finance sector should introduce a new Financial Safety by Design framework to improve financial safety. The banking sector has already started.



CASE STUDY: DISRUPTING ABUSE IN PAYMENT DESCRIPTIONS

Australian banks have led the world in taking steps to disrupt technology-facilitated abuse through payment descriptions.

New data provided for this paper shows the impact of collective action from the major banks:



Following compelling analysis, the Australian industry was quick to agree in 2019 that a bank account is no place for abuse, and that it should be united in action to send strong signal to perpetrators and victim-survivors. In 2020, banks started raising awareness and announcing changes.

In developing their response, banks applied Safety by Design principles and consulted with victim-survivors, experts and the community sector. They shared information across the finance sector domestically and internationally, with peers and regulators. They took action and advocated for others to play their part.

In March 2022, the ABA committed all member banks to consider incorporating aspects of Safety by Design to address the issue.⁵⁴ The National Plan builds on this, with economic and financial abuse identified as a key area of focus and recognition that businesses can design products and services to be safe and prevent misuse, while also focusing on perpetrator accountability.

CASE STUDY: DISRUPTING ABUSE IN PAYMENT DESCRIPTIONS

Banks have implemented a range of actions in line with the Safety by Design principles, as described below. We recommend the industry evaluate its approach to determine the most effective deterrents and interventions.

1

Service provider responsibility



Prevent communication

- Block inappropriate or offensive words

Monitor

- Monitor known abuse patterns and flag for intervention
- Action against abuser
- Contact abuser with warning notification alerting them to detection of inappropriate behaviour and consequences
- Suspend online banking access or close account/s
- Refer transaction to law enforcement

2

User empowerment and autonomy



Support for recipient, based on their individual needs

- Check in, refer to support services
- Remove payment descriptions and the name of the payee from transaction activity feed, history and statements but retain records
- Enable recipient to block payments from perpetrator or report abuse to the sender's bank
- Set up a new PayID or account
- Create a new BSB and account and auto migrate all transaction history and direct debits

3

Transparency and accountability



Terms and conditions

- A provision setting out acceptable use and consequences of inappropriate use in the account terms and conditions or an acceptable use of service policy
- Customer communications to increase customer awareness of inappropriate transaction descriptions and how a customer can report issues to their bank

CASE STUDY: DISRUPTING ABUSE IN PAYMENT DESCRIPTIONS

● **August** - Commonwealth Bank (CBA) undertakes analysis after noticing disturbing messages in the account of a customer experiencing domestic and family violence. In a three-month period, it identified more than 8,000 customers who received multiple low-value deposits, often less than \$1, with potentially abusive messages in the transaction descriptions.



CBA shares its findings with the ABA. It provides analysis, insights and technical approach to help other banks to build capability to detect and address the issue and suggests an industry-wide response.

CBA shares its findings with women's safety organisations, academics, financial counsellors and the eSafety Commission to seek their insights and advice.

2019

"The use of bank transaction communications as a vehicle for threatening abuse gives a shocking insight into the lengths that violent partners will go to threaten, harass and abuse. CBA have done their customers a great service in identifying this abuse and taking swift action to stop it."
- Anna Bligh, CEO of the Australian Banking Association

2020

● **July** - CBA is the first bank to announce changes to address the issue of technology-facilitated abuse and to provide a safer banking experience for customers, informed by Safety by Design.⁵⁵

"Safety by Design encourages and assists industry to take a proactive and consistent approach to user safety, helping companies to innovate and invest in safety to improve the user experience for their customers. We are delighted that CBA has been guided by our Principles to better protect their customers." - Julie Inman Grant, eSafety Commissioner

● **November** - National Australia Bank (NAB) starts blocking abusive transactions on internet banking.



● **February** - Westpac (WBC) is the first bank to introduce a self-reporting feature for customers to flag abuse and threats received via payments, in addition to blocking inappropriate language, using advanced data analytics to detect threats and patterns of abuse and sending warnings to abusers or their financial institution.⁵⁶

● **February** - Up bank outlines its support for recipients of abusive messages includes muting payments by removing payment descriptions and the name of the payee from their transaction history and statements, with records retained in case they are needed later, and a functionality to block payments from abusers. For the person sending the abuse, they will be banned or sent a warning notification with 24 hours to respond and comply or their account is closed.⁵⁷

2021

● **May** - Bank of New Zealand (BNZ) announces a suite of measures to tackle abusive transactions, including updated Terms and Conditions, using its dedicated domestic and economic violence banking team to contact victims and offer help or referrals, contacting abusers if they are bank customers and telling them to stop or risk losing their bank accounts and products and working on technology solutions to automatically filter abusive messages and empower victims to manage what they see.⁵⁸



● **July** – The New Payments Platform, which is the national infrastructure supporting real-time data-rich payments for the Australian digital economy, encourages all participating institutions to take into account the harm that malicious or careless misuse of the payment facilities can cause and to use features and functionality to mitigate it. Its guidance also permits banks which receive abusive messages to notify the sending bank and requires the sending bank to respond within two days with any action it intends to take against the abusive customer.⁵⁹

● **October** – CBA announces new machine learning models to scan for abusive patterns of behaviour and language in transaction descriptions.⁶⁰

● **November** – The Fintel Alliance, a public-private partnership led by AUSTRAC to combat financial crime, issues guidance to help to target, detect and disrupt the increasing misuse and criminal communication through payment text fields.⁶¹

● **December** – Encouraged by the industry’s approach, the Banking Code Compliance Committee recommends banks that discover industry-wide issues should share them with peers to improve the way banks detect, prevent and respond to risks of customer harm.⁶²

“Other crime types identified within payment text fields have included communications involving child abuse material, illicit drugs, firearms, ideologically-motivated extremism and outlaw motorcycle gang activity ... In some instances, the criminal activity would not have been identified without financial service providers detecting and reporting the activity to AUSTRAC.”
- Fintel Alliance

“Banks should not treat innovative solutions as competitive advantage in matters related to vulnerability.” - BCCC



2022

● **March** – CBA highlights its approach as part of an address to the UN Global Compact Target Gender Equality on its financial abuse awareness campaign.⁶³

● **April** – ABA publishes Family and Domestic Violence Industry Guideline which describes the procedures banks should have in place to respond to inappropriate language or abuse in the free text description fields of electronic transactions, where they become aware of it.⁶⁴

● **April** – NAB announces increased measures to automatically block abusive payment descriptions.⁶⁵

● **April** – ANZ announces its financial crime team has developed an algorithm to identify harmful misuse of payment fields in transactions to harass or abuse victims.⁶⁶

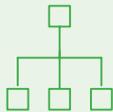
DESIGNING TO DISRUPT

Financial Safety by Design can be applied to other banking products.

The objectives of a tailored Financial Safety by Design approach for the finance sector are to:



Design products that are flexible and safer from misuse



Provide customers with information and choice



Be clear on the rules and consequences for misuse.

The starting point is to identify the ways products are weaponised to cause harm and to consider potential design options to prevent, disrupt and respond that also address the underlying drivers of gendered violence against women.

The table following outlines tactics and potential design options for the most common personal banking products and features.

While many of the options arise from consultation with victim-survivors and service providers supporting them, they should be tested through scenario planning with victim-survivors and other experts before implementation, then monitored and measured for their impact on perpetrator behaviour and victim-survivor outcomes.

We note that other banking products and services, such as business loans and guarantees, may also be misused to abuse.

DESIGNING TO DISRUPT

Potential design options to prevent misuse of banking products to inflict harm⁶⁷

Product	Risks of misuse to cause harm	Considerations	Potential design options
Transaction account	Security compromise by fraudulent access or under duress	Similar to scam risk	Fraud detection and disruption <ul style="list-style-type: none"> Data analytics Biometrics Two factor authentication Additional steps to online processes to verify or confirm if a transaction is authentic, e.g. multi-factor identification
Credit card	<ul style="list-style-type: none"> Open and use account in victim-survivor's name without their consent or knowledge Refuse to repay spending as secondary card holder 	<ul style="list-style-type: none"> Online application and verification Secondary card holder is not liable for debt 	Positive friction <ul style="list-style-type: none"> Additional steps to online processes to verify or confirm if an application is authentic and without coercion, including safe notification of abuse that triggers auto decline Liability for expenditure <ul style="list-style-type: none"> Each cardholder liable for spending on their card Apply chargeback methodology to disputed transactions Don't allow joint or secondary card holders for credit cards
Buy Now, Pay Later	<ul style="list-style-type: none"> Apply for multiple BNPL accounts in victim-survivor's name without their consent or knowledge Refuse to repay BNPL debt 	—	Per above
Mortgage	<ul style="list-style-type: none"> Refuse to make repayments, causing financial difficulty and/or housing insecurity Refuse to agree to hardship arrangements Refuse to engage on joint products as a way of seeking control over the victim-survivor's affairs Withdraw redraw or offset funds without knowledge or agreement Make it difficult to obtain information about a loan held in the perpetrator's name which is secured by a mortgage over a family asset 	<ul style="list-style-type: none"> Joint and several liability Banks are not party to property settlement court orders do not include banks Serviceability and responsible lending obligations Method of operation for a redraw or offset account may have been established on origination, without regular review/confirmation 	Promote financial independence <ul style="list-style-type: none"> At origination: Automatically open transaction account for each mortgage holder with separate personal details/privacy settings. Offer multiple linked offset accounts At separation: Offer to switch transaction account to low/no fee on disclosure of DFV/financial abuse. Simplify separation <ul style="list-style-type: none"> At origination: Notify customers of loan liability and options should separation occur. Give customers a choice about the type of contract – whether it is joint and several liability, 50:50 liability or another percentage. Include terms and conditions relating to recognition of property settlement orders. At separation: Permit a victim-survivor to borrow against current equity pending resolution of property matters. Sliding shared equity refinancing option for single parent to enable to stay in family home for agreed period. Recognise and implement court-ordered property settlement, subject to responsible lending obligations. Apply caveats to the loan title.
Personal loan	<ul style="list-style-type: none"> Apply for credit in victim-survivor's name without their consent or knowledge Force victim-survivor to seek a loan that only benefits perpetrator Personal loan/asset finance in perpetrator's name but refuses to make repayments e.g. car loan 	<ul style="list-style-type: none"> Similar to fraud risk Responsible lending obligations 	<ul style="list-style-type: none"> Per mortgage

DESIGNING TO DISRUPT

Potential design options to prevent misuse of banking products to inflict harm

Account type	Risks of misuse to cause harm	Considerations	Potential design options
Joint accounts	<ul style="list-style-type: none"> • Refuse to authorise transactions where both parties are required to • Change method of operation to two to sign in order to restrict victim-survivor access to funds or place them in danger due to ongoing need to engage • Withdraw all funds where one party only is required to authorise • Refuse to close account to retain ties with victim-survivor • Refuse to repay debt and threaten safety if victim-survivor does not • Damage credit scores by refusing to pay and force victim-survivor to take on debt they can't affordMakes withdrawals or other transactions without the other account holder's knowledge or consent • Actions result in credit reporting and default listing of co-borrower • Breach privacy of joint account holder 	<ul style="list-style-type: none"> • Method of operation at origination may not be suitable • Two to sign is default bank process on notification of separation/divorce/dispute • Regulatory requirements to notify customers of changes 	<p>Rethink and monitor joint accounts</p> <ul style="list-style-type: none"> • Consider limiting joint accounts to scenarios where combined money is critical • Detect, delay and block unusual patterns • Apply fraud monitoring analysis to large withdrawals and red flags that identify potentially abusive behaviour <p>Simplify separation</p> <ul style="list-style-type: none"> • At origination: Separate passwords, logins and portals for each party. Include reminders that may assist applicant to understand the risks of abuse alongside standard information about terms and conditions. Inform/remind customers about how data will be shared between joint account holders. Notifications to raise awareness of financial abuse for customers who may be leaving themselves financially vulnerable and alternatives, e.g. online application process about overdraft facility, personal loan • At separation: Simplified processes to separate or de-link accounts from abusive ex partners without notification. Safe, confidential and simplified processes to make basic changes, such as to phone numbers or addresses • Close joint account and divide the remaining money between the perpetrator and victim-survivor or ensure that victim-survivor has access to adequate funds for basic cost of living requirements • Once aware of separation, restrict withdrawal by each person to half the funds and require both to sign for the remainder until property settlement • Don't require contact with abuser when it could be dangerous, frightening or unwanted <p>Privacy settings</p> <ul style="list-style-type: none"> • Obscure contact details for customers flagged as at risk so employees do not unwittingly provide location details to perpetrators • Push notifications to inform women on the safest account settings • Reporting functionality to provide avenues for customer concerns or employee safety concerns to be actioned <p>Improve hardship process</p> <ul style="list-style-type: none"> • Financial difficulty notification: Reports or red flags of DFV automatically activate offer of financial hardship concessions, incl. hold on debt recovery action • Protect and separate joint accounts, including debt reduction and/or waivers, payment plans • Remove victim name from debt • Credit report

DESIGNING TO DISRUPT

Potential design options to prevent misuse of banking products to inflict harm

Account type	Risks of misuse to cause harm	Considerations	Potential design options
Terms and conditions	—	<ul style="list-style-type: none"> Alignment with Change the Story - challenge condoning of violence against women 	<p>Acceptable use</p> <ul style="list-style-type: none"> Recognise financial and technology-facilitated abuse is harmful and outline unacceptable use Recognise that unnecessary complaints or applications for financial hardship to delay enforcement proceedings may be a form of financial abuse <p>Financial abuse</p> <ul style="list-style-type: none"> Describe how domestic and family violence and financial abuse will be considered as a factor in disputes and debt collection Perpetrator consequences Report financial abuse as a suspicious matter to AUSTRAC, subject to agreement of regulator Automatic warnings to perpetrators when unacceptable use identified Exit customer
Customer communications	<ul style="list-style-type: none"> Customer communications that show the address of both parties are used by perpetrator to locate/contact victim-survivor Customer communication following an enquiry or instruction about a change of address or a new account alert an abuser to their victim taking steps to escape or moving to a safe location Records of transactions that show ATMs and branches that have been used by a victim-survivor can help a perpetrator find them Real time transaction notifications allow perpetrator to monitor location/spending and track movements of victim-survivor or their children 	<ul style="list-style-type: none"> Legacy systems which may contribute to information being sent to perpetrator in error 	<ul style="list-style-type: none"> Default to highest level of privacy for new products or switch to private settings at the first sign of abuse Separate statements to joint account holders on an opt out basis Address or new account alert on opt in basis Periodic and/or event-triggered notification on protective account/transaction settings Digital literacy tools that include common scenarios where abuse may occur and protective actions to take - e.g. enhance privacy settings, refinance options Push notifications to inform women of the safest account settings Recognise a PO Box or Branch as a legitimate address for agreed period Explain what joint and severally liable means and create other options to structure the contract Ensure information about options and support for victim-survivors is readily available without having to ask



DISCUSSION: REIMAGINING A HOME LOAN

What if changes were made to the operation of a joint mortgage that made it easier to split if the relationship broke down, contemplated the lack of income and housing security of single mothers and reduced the risk of default and credit damage for women experiencing financial abuse?

Opening a joint account has been a marker of relationships. As a couple combine their lives, they often combine their money. In a healthy relationship, this means income and spending is more transparent, debt becomes shared and, in the case of what is often our biggest financial investment, affordable. Buying a home is a big life expense, and a means to economic security.

Yet, one third of marriages end in divorce. Sixty per cent of women experience financial hardship in the first 12 months after divorce as a result, and it takes a woman an average of five years to financially recover. Women who have experienced violence encounter worse outcomes from property settlements than those who have not, and seven out of 10 women who left an abusive partner or family member, left property or assets behind.⁶⁸

Twenty per cent of children are raised by a single parent. There are 1.1 million single parent families in Australia; 79.8 per cent of these are women. Of the 185,700 single mothers who have experienced partner violence, 24,000 could not pay mortgage or rent on time and 16,000 could not pay their credit card minimum.⁶⁹

The biggest proportion of examples of financial abuse which involve misuse of products relate to joint facilities – transaction accounts, credit cards, personal loans and mortgages.

Banks and consumer advocates find the most difficult to disentangle are home loans.

A new Separating with Debt guide outlines considerations for couples who separate with a joint mortgage. It notes that some Family Court orders could potentially order a lender to change legal responsibility for a debt under the credit contract under property proceedings but there are limitations relating to:

- The likelihood of the debt being repaid in full
- The need for the lender to be part of the proceedings
- The need for the order to give effect to the property split and be fair.

It also recognises that some orders do not legally bind the lender and that lenders have their own obligations and responsibilities that may impact on whether they will be able to loan money or change the contract.⁷⁰

Given the risk of financial abuse starting or worsening at separation, and the disproportionate financial disadvantage on women of divorce and separation, isn't it time we re-think the approach? For example, mortgages are being reimagined to incentivise transition to more energy efficient homes, so how could a mortgage be redesigned to promote gender equal behaviours or respond to gendered violence?

For example:

- A transaction account for each joint mortgage debtor could be established separate to a home loan on origination. This could help customers who are prevented from opening their own independent account, as it would be a standard process and entitlement.
- Numerous offset accounts could be linked to one mortgage, with financial benefits typically associated with a joint offset account accrued from accounts held in individual names.
- Terms and conditions could include that the bank will recognise and act on binding property settlements, without being party to them. This would help victim-survivors who are hamstrung by former partners who refuse to comply with Family Court orders.
- On notification of separation, home loans could be restructured to enable refinancing for a single parent to allow them to stay in the family home while they recover from financial abuse and regain economic security. This could involve a shared equity stake that allows removal of the perpetrator from the title and discounted repayments at an affordable level for an agreed amount of time. It could address the scenario where a victim-survivor can demonstrate they have been meeting repayments but would not pass serviceability requirements.

Naturally, any changes would need to contemplate contract terms, regulatory requirements and credit risk. And victim-survivors should be consulted to provide their lived expertise on changes that would have made their situation easier, and changes that could lead to potential unintended consequences.

RECOMMENDATIONS

Our recommendations aim to spark discussion with banks, regulators and consumer advocates about the role of the finance sector to disrupt financial abusers, in the same way as they tackle other financial harms. **And we want action.**

Products are being weaponised and the tactics described are already being used to cause harm. Victim-survivors have shared their experiences so that we better understand what's happening and can take action to help. We do not serve them well by doing nothing in response.

Individual banks

A no-regrets first step is for every bank to commit to terms and conditions that make it clear that:

- A bank account is no place for abuse
- Financial abuse has serious impacts on victim-survivors
- Customers who misuse products and services will be warned or exited from the bank
- In some circumstances, their tactics will be reported to law enforcement.

Additional actions include:

- Developing customer journey maps for those who experience domestic and family violence and the life events that may trigger or exacerbate financial abuse, then designing appropriate interventions.
- Collect and analyse data on outcomes, compliance incidents, risk issues and complaints relating to customers experiencing domestic and family violence, and incorporate consideration at all relevant parts of the product life cycle.
- Undertaking a gender equity review of products and services to understand the outcomes for all genders, assess whether they are fair and commit to take action to address any disparities.
- Developing a diagnostic screening tool for financial abuse to be used in credit applications.

Banking industry

- With experts, including those with lived experience, academics, community service providers and those with expertise in safe regulatory design such as eSafety, develop a tailored Financial Safety by Design diagnostic tool for banks that assesses whether products include features that prevent their misuse, drawing on eSafety's established Safety by Design initiative for the technology sector.
- Evaluate the impact of the industry's response to abuse in payment descriptions to understand the effectiveness of each element of the intervention on victim-survivors and those who abuse.

Regulators

- Improve processes for credit repair.
- Consider the potential to develop a process to make an adverse credit report for a perpetrator of financial abuse which can be made concurrent to correction for victim-survivor, so that there is a material consequence that impacts on the ability to get future credit.
- Incorporate the risks of products and services being misused for financial abuse in guidance related to the design and distribution obligations.
- Engage with banks, consumer advocates and other stakeholders to develop amendments to the Privacy Act to improve banks' ability to respond to financial abuse.
- Consider what barriers there are in responsible lending provisions and bank processes that impede a victim-survivor of domestic and family violence staying in their home or securing stable and affordable housing.

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