

1/03/2024

Financial Markets Authority
PO Box 1179
Wellington 6140

Submission on Fair Outcomes for Consumers and Markets

Tēnā koutou

Age Concern New Zealand He Manaakitanga Kaumātua Aotearoa welcomes the opportunity to submit feedback on the draft *Fair Outcomes for Consumers and Markets: A guide to outcomes-focused regulation*.

Age Concern New Zealand appreciates the work the Financial Markets Authority has carried out to develop the framework and outcomes.

Age Concern New Zealand supports the seven outcomes and the outcomes-focused approach.

Who we are

Age Concern is a trusted charity working in local communities throughout Aotearoa to support older people, their friends and whānau. Our values – Dignity, Wellbeing, Equity, and Respect for older people are our guiding lights and underpin everything we do. We aim to ensure older New Zealanders get the best advice and support no matter where they live in Aotearoa. With a network of 29 local Age Concerns operating in 40 locations, and a national office based in Wellington, we are the place to go for services and information about getting older.

We are proud of our heritage in standing up for the rights of older New Zealanders for more than 75 years. As an organisation, our focus is on contributing to the overall wellbeing of older New Zealanders. We work to prevent the abuse and neglect of older adults; improve their health and wellbeing; end loneliness and social isolation; and advocate for older people's rights.

Older New Zealanders are a diverse, resilient, and valued part of every community. The over 65 population is growing across all ethnicities with Asian, Māori and Pacific older populations growing at significant rates. This diverse older population deserve fair outcomes from their interactions with financial services.



Summary

Overall, Age Concern New Zealand supports the proposed outcomes and approach. We believe the outcomes identified are reasonable and would meet the expectations of consumers. Access to, and engagement with, financial services is an important part of older people's wellbeing and ageing well in their communities.

We emphasise the importance of accessible information and communication with consumers.

The issue we see is more with how effective implementation of the Code will be measured or assessed. Training and a monitoring framework of some form will be needed to ensure the Code lives up to its aim and intent.

We believe the success of the framework will be shaped by the approach of the Financial Markets Authority in their work with providers to meet the outcomes. The intent of establishing fair outcomes for consumers and markets is commendable, but implementation comes down to multiple providers interacting with a wide range of people, who may be under pressure at the time.

We would like to see a process developed for consumer and consumer advocate groups to share their experiences with the Financial Markets Authority after the regulations have been implemented and providers have started taking steps to meet the outcomes.

Closing comment

Age Concern New Zealand looks forward to seeing the outcomes bringing benefits for consumers, providers, and markets.

Thank you again for the opportunity to provide our submission on the draft *Fair Outcomes for Consumers and Markets*

Nāku noa, nā

Karen Billings-Jensen
Chief Executive
Age Concern New Zealand

Feedback form

Consultation: Fair Outcomes for Consumers and Markets

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at consultation@fma.govt.nz with 'Fair outcomes for consumers and markets: [your organisations' name]' in the subject line. Thank you. **Submissions close on 1 March 2024.**

Date: 1 March 2024

Number of pages: 4

Name of submitter: Karen Billings-Jensen

Company or entity: Age Concern New Zealand

Organisation type: Charity

Contact name (if different):

Contact email and phone: karen.billingsjensen@ageconcern.org.nz Phone (04) 801 9338

Question number	Response
1	<p>The outcomes-focused approach and the decision to use this approach have been described clearly. The shift to align with global regulatory practice is sensible.</p> <p>It would be beneficial for consumers to know what kind of engagement and enforcement actions will be within the Financial Markets Authority's powers when providers are not implementing practices to meet the outcomes.</p>
2	<p>The seven outcomes appear appropriate and would be a reasonable expectation by consumers when engaging with financial services and products. We anticipate that the outcomes will bring benefits to consumers, providers, and the financial market.</p> <p>A large portion of the success of the outcomes approach will depend on the supervisory and enforcement work of the Financial Markets Authority. As the approach focuses on the end results, and does not prescribe actions, providers will need to be supported and equipped to make changes to meet the outcomes. Furthermore, providers will need to continually adjust their practices to meet consumer needs and enable sustainability and growth.</p>
3	<p>We agree that there are diverse consumer needs, including among older people. Inappropriate products and services that do not meet consumer needs have the potential to cause harm to consumers.</p> <p>The second example regarding hard-to-reach consumers, especially those with lower levels of technological capability, is an important topic for Age Concern. We strongly agree that multiple communication channels, including face-to-face, are essential to avoid excluding existing and prospective consumers. This is particularly crucial for financial services such as banking.</p>

4	Ensuring that information is up-to-date and consistent across all communication channels will help providers meet this outcome.
6	We strongly support the Financial Markets Authority's encouragement to remove incentives linked to sales measures. Such practices have the potential to create significant harm to consumers and their whānau.
7	<p>We agree that consumers should be able to easily access their providers for assistance and information.</p> <p>Consumer complaints should be promptly and effectively addressed. We strongly support that consumers are informed of the outcome if they believe their complaint has not been resolved. They also need to be advised of any other processes available to them.</p> <p>We strongly support the joint message and information sheet on ways to support customers through hardship and recognising customer vulnerability. We encourage the Financial Markets Authority to ensure financial service providers implement processes and policies to respond to customer vulnerabilities. We also encourage providers to implement staff training that will support the organisations to meet their obligations to consumers.</p>
10	We would like to see provision for consumers and consumer advocate groups to share with the Financial Markets Authority their experiences of the framework, outcomes, and actions taken by providers post implementation.
17	The examples are helpful to understand the practical and everyday impact of the outcomes and mahi of the Financial Markets Authority.

Please note: Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.

Thank you for your feedback – we appreciate your time and input.