



The Money Charity Response – FCA Consultation Paper on Access to Cash (February 2024)

The Money Charity is a Financial Wellbeing charity whose vision is to empower people across the UK to build the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives, helping them achieve their goals and live a happier, more positive life as a result.¹

We welcome the opportunity to respond to the FCA's proposals on protecting access to cash.

¹ See box on back page.

Overall Comments

We broadly agree with the FCA's proposals to ensure that sufficient access to cash is available for everyone. Despite the increasing prevalence of cashless payments, the use of physical currency remains vital for many individuals and SMEs. Those who choose to utilise cash rather than online payment methods are likely to be vulnerable in other ways and often lack the confidence or regular access to use online financial services.

Whilst we agree that it is important to put the needs of local communities at the fore of cash access requests; we would encourage the FCA to broaden the availability of the scheme beyond only local groups or councils; national organisations, The Money Charity included, are keen to ensure that everyone in the UK has adequate access to cash and in-person banking services, and by narrowing the criteria for raising cash access requests, the process becomes unnecessarily burdensome, especially where those most in need of access to in-person banking are potentially the least likely to be forthcoming in voicing this. Similarly, whilst it is important for transparency and accountability that the results of cash access requests and assessments are published online, and are easily accessible this way, it is also crucial that any information on changes to services are communicated to those without regular access to the internet. It would be useful to have this information shared amongst any social care networks in the area.

We are also broadly in favour of the proposed process for these assessments; however, we would encourage the FCA to consider changes to transport links and road access within their assessment of 'local geography'; in those rural areas with less robust public transport, it may be unreasonable for local individuals and SME owners to undertake long and often costly journeys to access banking services which may only be accessible during working hours. In the same vein, the lack of clear guidance on what constitutes a 'significant impact' may allow organisations to downplay any detrimental effects of a branch closure.

The proposal for cashback without purchase is welcome, however may be problematic in practice. This would put an unnecessary burden on retailers to have cash on hand, as well as potentially disenfranchising those who require the service who might feel stigmatised for having to return to the same shop or business to ask for cashback. In a local area where only one business may provide the cashback without purchase service, this could be unnecessarily onerous and may negatively impact the business. Nonetheless, the FCA proposal is a welcome step forward in ensuring that access to cash and in-person banking services are protected in an increasingly digital world.

The Money Charity is the UK's Financial Wellbeing charity providing education, information, advice and guidance to all.

We believe that everyone achieves Financial Wellbeing by managing money well. We empower people across the UK to build the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives, helping them achieve their goals and live a happier, more positive life as a result.

We do this by developing and delivering products and services which provide education, information and advice on money matters for those in the workplace, in our communities, and in education, as well as through influencing and supporting others to promote Financial Capability and Financial Wellbeing through consultancy, policy, research and media work.

We have a 'can-do' attitude, finding solutions to meet the needs of our clients, partners, funders and stakeholders.

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