

# Minutes

## FCA/PSR Access to Cash – Working Group 4: Digital Transition

15<sup>th</sup> October 2020 (Session 2)

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**Location:** The meeting took place via video / audio link

**Attendees:**

Name	Organisation
Chris Pond (Chair)	Financial Inclusion Commission, FinTech Delivery Panel
Niamh De Niese	Barclays
Nick Edwards	Lloyds Banking Group
Umer Fazil	Barclays
Kai Grunwald	NatWest
Chris Henderson	Tesco Bank
John Howells	LINK
Jenny Kane	Virgin Money
Nicky Stevens	Nationwide
Robert Thickett	BSA
David Thompson	Danske Bank
Tara Townson	Bank of Ireland
Jack Jenkins	FCA
Will Archdeacon	PSR
Rhiannon Butterfield	UK Finance
John Appleton	HMT (observer)
Susie Bridge	HMT (observer)
Louise Johnston	Bank of England (observer)
Nadia Farr (Secretariat)	Accenture

**Apologies:** Linda Robertson (Virgin Money), Martin Henry (AIB), Robert Phelan (Bank of Ireland), Brian Bowles (HSBC), Manisha Patel (Bank of England), Matt McParland (Accenture)

**Item:**

### 1. Introductions

The Chair welcomed attendees and thanked members who had shared research and insights prior to the meeting. Minutes from previous session were accepted and the Chair updated the group on his actions.

### 2. Walkthrough on two key pieces of insight – ‘BritainThinks’ and ‘University of Bristol’

A summary of relevant parts of the BritainThinks research (published in 2019) was provided by the PSR.

The FCA provided a summary of the University of Bristol research (jointly commissioned by the FCA, PSR and LINK) – namely the geographic mapping of UK cash access and demand, as well as the decisions that this might inform.

### 3. Discussion on content

The group discussed the presented findings, as well as those shared offline.

It was noted that the group should pay close attention to what 'swings' people from cash to digital. FinTechs were noted as being especially good at building transition journeys and providing digital alternatives to cash. In the case of digital transition from cash, a first move from cash to online (not straight to mobile) will be an important transition step towards digital, and FinTechs can support this journey.

It was noted that in support of BritainThinks research, Age UK also found mistrust of security to be a reason why the elderly do not trust digital payments. Scamming specifically was a key fear for this population and education is an important way of overcoming digital mistrust.

It was noted that some customers might never be moved from cash. Although a significant percentage of the non-digitally active can be educated or transitioned away from cash, there will be some who can't. Those who go cashless might not also go digital, using cards, text/telephony and online banking instead. A key objective of the working group will be to make sure vulnerable and differently able consumers are not left behind, by finding new alternatives or other solutions.

An idea was noted that government intervention may be required, as it has been in transitioning consumers to smart meters nationwide and transitioning consumers from analogue to digital television. There was an observation that banks would be more willing to take the lead on national digital education if they were accompanied by regulators/government.

#### **4. AoB**

The Chair proposed that meetings move to a weekly frequency (currently fortnightly) to ensure enough time was dedicated to meeting objectives for December.