

Minutes

FCA/PSR Access to Cash – Working Group 2: Access to Branch Services

14 October 2020 (Session 3)

Location: The Meeting took place via video/ audio link

Attendees:

Name	Organisation
Helen Grimshaw (Chair)	RBS/NatWest
Peter Seymour	Cardtronics
James Rowe	Lloyds Banking Group
Emma Griffiths	Nationwide
Ross Borkett	Post Office
Philip Trew	Natwest
Duane Campbell	Tesco Bank
Amanda Bell	TSB
Peter Tyler	UK Finance
Marc Maxfield	FCA
Luke Charters	FCA
Tanya Surendra	FCA
Philip O'Donnell	PSR
Fiona McLaren	PSR
William Morello (observer)	HM Treasury
James Rattigan (observer)	HM Treasury
Sagar Shah (observer)	BoE
Sowmya Ganti (Secretariat)	Accenture

Apologies: Martin Henry (AIB), Sam White (Barclays), Cathy Jenkinson (Danske Bank), Tamsin Byrne (Metro), Andy Hockley (Santander), Mark Draper (Santander), Lyn Rose (Virgin Money)

Item:

1. Standing agenda items and actions

Session 2 minutes: Session 2 minutes accepted. A minor correction was suggested which has been actioned. The updated minutes have been circulated to the WG members after Session 3.

Actions: The Secretariat provided an update on the actions. It was noted that one of the actions will remain open until further discussion in future sessions. No further comments from WG members.

2. Customer Needs

A. Bristol University mapping data – feedback from PSR/FCA session

The Chair presented an update on the research data presented by Bristol University. She stated that the intention would be to get an unbiased set of actual data from which further decisions could be shaped. At a macro level the data set captured good coverage on Access to Cash. It would be interesting to see the data nuances at a community level. Unlike previous work that mostly focused on urban/retail sectors, this work also focused on 'neighbourhoods' with clusters of people that don't have access to cash points. So, it would be interesting to overlap a piece of work to translate this into what could be a universal service obligation.

The Chair stated that the Steering Group and other stakeholders raised some points with Bristol University to explore further - i.e. what are the datasets on pay to use ATMs for vulnerable customers, cashback and the quality of these offerings, alternative to cash access points in Post Office.

The Chair highlighted the importance of taking the Bristol University dataset and overlaying on the 9 Community Access to Cash pilot areas. This would help test whether what the data is saying translates to what is observed on the ground and would give confidence on where to go next.

The Chair concluded by saying that the quality and richness of data was good and it could help Working Group 1 shape their priorities. The FCA representative informed that the final report wouldn't be available until November, so they would check what could be shared with the working groups before then to help inform decision making.

B. WG1 Initial findings

The Chair informed the working group members that a revised Working Group 1 deck would inform Steering Group discussion on 16 October.

The Chair encouraged working group members to review the Working Group 1 findings and provide any suggestions that could help Working Group 1 refine inputs and prioritise customer needs (e.g. including SME needs, principles, and hierarchy of needs etc).

3. Feedback from breakout groups

A. Breakout group 1 - ATMs

One of the working group members presented a summary, which identified situations where an ATM was not a substitute for a counter service. The Chair asked the working group how prevalent the passbook issue was and it was clear that this was an issue for both banks and building societies. One of the other working group members pointed out that temporary issues could include hardware/software outages (i.e. when an ATM goes out of service).

B. Breakout group 2 – SME Deposits

One of the working group members presented a summary, which had focused on where the boundary for SME deposits might be and what alternatives to branch services were currently in place. The group had proposed SME deposit limits of £1,000 for coins and £10,000 for notes, but these thresholds were up for discussion (noting we a previous focus on £500). The Chair asked working group members to review the thresholds from their banks' perspective and provide feedback in the next session. The Chair also asked the Breakout group to look at other potential solutions which could be used to provide cash deposits.

4. Sustainability/resilience of alternatives to branch services for cash access

The Chair emphasised the importance of identifying priority customer needs and exploring what alternative solutions to cash services were provided by branches.

Two additional breakout groups have been created to discuss the below topics

Breakout group 3: Coins – identify those customer cohorts dependent on coin deposits and withdrawals, with a particular focus on vulnerable customers. What are the alternative solutions to meeting their needs, noting the learnings from the digital journey of Track & Trace.

Breakout group 4: Post office - what concerns do the industry participants have in the Post Office being the fallback for cash services provided by the branch network and what would mitigate those concerns?

5. Review/update Steering Group slides

The Chair presented the draft output for the Steering Group. The WG members reviewed and agreed the content, accepting that the Chair would further update this for current discussions.

6. Next Steps/AOB

The Chair requested feedback on the duration, approach and the effectiveness of the working group sessions. The working group members commented that the working group sessions were progressing well. The working group collectively agreed that the 60-minute duration was ideal and that the approach using breakout groups was working well in driving outcomes.