



Ahead of the Westminster Hall debate on the access to and acceptance of cash during the Covid-19 outbreak, please find a briefing from Later Life Ambitions (LLA).

KEY ASKS

We ask you to raise the following points during your intervention in the debate:

- The Government must ensure there is always a free, 'offline' option for accessing cash, either through the Post Office, local banks or free ATMs.
- Businesses should have a comprehensive vulnerable client policy in place, to ensure older and more vulnerable customers can access the services that they require.
- The Government should take a role in encouraging and driving best practice within the financial services sector regarding vulnerable clients. We support the establishment of a sector wide code, stipulating minimum standards that banks, businesses and firms should adhere to.

BACKGROUND

There remains amongst some older persons a reluctance to transition to digital payments due to a lack of digital skills, concerns around security or simply due to health restrictions.

The shift to online banking is already excluding older people who do not have access to the internet. We know that **more than half of the population aged 75+ (53.1%) are not online.**¹ This could be for a number of reasons, for example some older people who are disabled choose not to bank online due to poor eyesight. Others may prefer not to use chip and pin payments due to issues with dexterity and using digital devices can present problems for people with Parkinson's disease or arthritis.²

For some older people, the reality is that they rely on others to handle their money and cash makes it easier to keep track of what other people have spent on their behalf. One example often given is when older people give someone money to do their food shopping, they can track exactly how much change they receive to ensure they are not being scammed.

The usage of cash also provides many older people with peace of mind. **The pandemic has seen a rise in the use of online shopping and online banking, but this has also provided greater opportunities for fraudsters and scammers.** A Freedom of Information request to HMRC found that scams peaked in May 2020 after rising 337% from 133 in March to 5,152 in May.³

Although these scams would be difficult for someone of any age to recognise, it is well known that **older people are still disproportionately targeted, putting them at greater risk.**⁴ This has meant that many older people do not trust and do not feel comfortable using online banking. **In a recent survey of our members, 29% of nearly 300 older people said they did not use online banking because they did not trust it.**

¹ <https://www.citizenonline.org.uk/citizenonline-internet-for-all-cov19/>

² <https://www.telegraph.co.uk/personal-banking/current-accounts/elderly-forced-bank-online-pandemic-cannot-log/>

³ <https://bit.ly/32dmyVs>

⁴ <https://www.ageuk.org.uk/scotland/latest-news/2020/june/news-scams-awareness/>



Even when an older person may be comfortable with online banking and have access to the internet through their smart phone, **we are now seeing increasing pressure to keep up with the latest forms of technological devices in order to access platforms that provide online banking.** This excludes those who are unable to afford the latest device and it can discourage the use of mobile banking, creating frustration amongst older people. For example, HSBC now only allows for mobile banking on iPhones or iPads that are running at iOS12 or higher.⁵

The use and availability of cash provides flexibility for older people in a changing society and ensures that they are not financially excluded and so we ask you to raise these issues during the debate.

POLICY RECOMMENDATIONS

LLA is calling on the Government to consider the following when legislating for access to cash:

- **Over-the-counter services need to be maintained as a free option that is 'offline' to withdraw and deposit cash** at Post Offices, local banks and building societies
- **The expansion of cashback services, available without purchase,** would be a helpful supplementary measure to over the counter services.
- **Businesses should have a comprehensive vulnerable client policy** and procedure in place, which should include extra support for older customers through digital workshops, or a support hotline for scam prevention as well as a commitment to maintaining the use of cash.
- **Establishing a sector wide code for financial services,** stipulating minimum standards that banks, businesses and firms should adhere to. These standards should include scam and fraud support to ensure that older people are protected.

ABOUT LLA

LLA brings together the voices of over 250,000 older people through three organisations, the National Federation of Occupational Pensioners, the Civil Service Pensioners' Alliance and the National Association of Retired Police Officers. We campaign nationally, regionally and locally on a wide range of issues to improve the lives of our members, and older people more generally.

Central to our campaigns are a strong focus on intergenerational fairness and a transitional approach for older and vulnerable people in a changing society. We recognise and understand the continued move to digitalisation, but we believe this shift must remain inclusive. Government and business must continue to offer an 'offline' option to ensure that no one is excluded from our economy.

For more information about Later Life Ambitions, please contact laterlife@connectpa.co.uk

⁵ <https://www.hsbc.co.uk/ways-to-bank/mobile/>