KN REF:	INV-0271-2025			
TITLE/ORGANISATION:	Autumn Banking Roundtable event			
DATE AND TIME:	3 December – 10.00am to 11.30am Pre brief – 2 December 2.30pm to 2.45pm			
VENUE:	☐ **PB**	☐ **Clare House**	☒ **OTHER:**	The Pavilion, Stormont Estate

ATTENDEES:

David Geale – Financial Conduct Authority

John O'Connell - Financial Services Union

Brian McDowell - Financial Services Union

Paul Leonard – UK Finance

Eric Leenders – UK Finance

Noyona Chundur - The Consumer Council of Northern Ireland

Denise Copeland - Northern Ireland Council for Voluntary Action

Sarah Evans – Cash Access UK

Chris Ashton - LINK

Mark Gibson – Post Office

Martin Fisher – Irish League of Credit Unions

John Moore – Federation of Small Businesses

Glyn Roberts – Retail NI

Samantha Gallagher – Rural Community Network

Jim McCafferty – National Federation of SubPostmasters

Louise Henshaw – Disability Action

☒ **Minister**	☒ **SpAd**	☐ **PS**	☐ **APS**	☐ **Office Manager**

OFFICIALS / OTHER	Wendy Lecky – Pre-Brief and Roundtable Julianne Kieran – Roundtable [redacted] S 40 (2) S 40 (2) S 40 (2) S 40 (2) Sean Breen – Consumer Council NI official attended the Roundtable

<u>Introduction</u>

Minister

- Welcomes attendees and thanks them for joining to discuss access to cash issues in the North.
- Emphasises importance of maintaining local access to cash and essential banking services, particularly for vulnerable citizens, small businesses, and community organisations.
- Thanks stakeholders for survey responses that shaped the agenda.
- Outlines three discussion themes:
  - Banking Regulation and Legislation
  - Awareness and Managing Change
  - Financial and Digital Inclusion
- Explains structure: high-level summary by Wendy, followed by responses from FCA, LINK & Cash Access, and Consumer Council; then open discussion on each.
- Requests anonymity when citing cases or examples.
- Reaffirms commitment to collaboration and finding local solutions while pressing authorities for change.

<u>Agenda Item: Banking Regulation and Legislation</u>

Wendy Lecky

- Survey responses assessed effectiveness of current regulations, FCA Access to Cash rules, and guidance adaptability.
- **Positives:**
  - FCA Access to Cash rules widely welcomed; reassures rural and older communities.
  - LINK assessment process seen as fair and robust; prevents sudden gaps in provision.
  - Stronger consumer protections noted in recent guidance on resilience and operational risk.
  - Practical examples: banks kept branches open in Larne and Ballynahinch until hubs ready; temporary solutions deployed quickly.
- **Challenges:**
  - Concern over over-reliance on digital banking; risks excluding non-digital users and erodes personal service.
  - UK-wide regulation overlooks NI context (e.g., 3-mile metric unsuitable for rural areas; GB-centric assumptions).
  - Loss of specialist services and local knowledge due to branch closures; hubs and Post Offices have limitations (deposit limits, poor promotion).
  - Timescales for hubs and cash solutions (three months) can lead to sub-optimal experiences.
  - Overall: Progress acknowledged, but calls for rural proofing, better communication, and inclusive regulation.

Minister

- Requests FCA update on Access to Cash rules since Sept 2024 and analysis of impacts on vulnerable groups.
- Raises issue of traders refusing cash; queries potential legislation requiring businesses to accept cash.

[redacted] S 36

- States cash remains vital; FCA prioritises consumer access.
- Current access strong: 99% within one mile; rules consider geography and local context.
- FCA regulates cash services, not banking services; cannot force banks to stay open.
- Two banking hubs planned for NI; supplemented by ATMs and Post Offices.
- Formal review of Access to Cash rules scheduled for end of 2026.
- Takes point on services.
- Not one size fits all.
- Cash acceptance not within FCA gift – matter for government.

Minister

- Notes need to promote digital adoption, especially among older populations; youth already proficient.

[redacted] S 36

- Advocates for “Post Office first” approach; Post Offices should expand banking services.
- Highlights low ATM access in some areas, impacting vulnerable groups.

[redacted] S 36

- Notes benefits of Post Office card but criticises low deposit limits for businesses and poor communication of limits.

[redacted] S 36

- States that closures occur within a financial ecosystem; FCA has power to pause closures.
- NI has higher cash usage than GB; banks should contribute to maintaining access.
- Pace of change too fast; lack of evidence when branches close.

Minister

- Emphasises need for better communication on what services are available at banks versus Post Offices.

[redacted] S 36

- Wants early notification of branch closures to prepare for increased service demand.
- Suggests re-examining the 3-mile radius rule for rural areas at NI level.

[redacted] S 36

- States Post Office is central to cash access assessments; LINK aims not to undermine PO services.
- Reports 98.7% ATM coverage within 3 miles in NI; promotes new cash locator tool on LINK website.
- Notes 18 assessments and 9 community requests since regulations began; additional deposit/withdrawal machines being provided.

Minister

- Highlights generational differences in banking habits; stresses need for adaptable rules as infrastructure changes.

[redacted] S 36

- Thanks stakeholders for feedback; Emphasises no one-size-fits-all solution.
- Explains 3-mile radius is adjusted for geography; transparency exists via LINK website.
- Appeals process has overturned some decisions; consumer duty is key principle.
- FCA working on digital uptake for vulnerable groups; banks must communicate locally.
- Banks must clarify services available at Post Offices.
- Rules in place one year, continuing to learn.

[redacted] S 36

- Acknowledges money laundering concerns but criticises inefficiencies caused by unclear deposit limits.

[redacted] S 36

- Suggests considering economic clusters for future planning; notes inconsistent hub usage.
- Calls for consistent messaging on deposits and awareness of closures.
- Highlights cost of cash distribution and declining cash transactions; mentions legislative gaps for third-party financial access and potential role of digital ID.

[redacted] S 36

- Questions FCA accountability for banks; charities dissatisfied with lack of engagement and poor digital access support.
- Banks not thought about end user.

[redacted] S 36

- Notes FCA work on identifying vulnerable customers; enforcement cases pending as rules are new.
- FCA cannot compel banks to provide services (commercial service); acknowledges charity challenges with mandates.

[redacted] S 36

- Stresses importance of local notifications and digital adoption support; underserved groups most impacted.
- Notes NI's higher cash use and rurality; calls for proactive community engagement and leveraging credit unions.
- Mentions PO drafting green paper on accessibility criteria.
- Cant forget micro businesses.
- Mentioned credit unions and building societies – and questioned what we are doing to leverage wholistic system.

[redacted] S 36

- Highlights need for better deposit communication at POs; raises concern over ATM robberies targeting retailers and increased insurance premiums.
- Welcomes the ATM rural relief.

[redacted] S 36

- Emphasises importance of PO deposits for small businesses; ATM provision remains critical.

[redacted] S 36

- Confirms LINK assesses high streets with 5+ shops; at 25 shops, deposit and withdrawal services are reviewed.

[redacted] S 36

- Notes 80% of NI geography is rural; many areas lack 5-shop threshold.
- Highlights cross-border issues and need for rural-proofing assessments.
- Calls for specialised financial advice for rural SMEs and farmers; questions failure of Lisnaskea hub despite tourism trade.

Agenda Item: Awareness and Managing Change

Minister

- Introduces theme on awareness and managing transition to digital banking without exclusion.
- Thanks LINK for MLA drop-in event; seeks details on outreach activities and advertising of banking hubs.

Wendy Lecky

- Awareness of cash access assessment process remains very low; only nine community requests since rules began.
- Barriers include poor promotion by banks/PO, unclear eligibility, rural connectivity gaps, literacy challenges, and lack of transparency on decisions/appeals.
- Vulnerable groups, older people, and minority communities most affected.
- Recommendations: targeted campaigns, multi-channel communication, outreach via voluntary/rural networks, and designated support roles.
- Notes emerging issue of cash acceptance by retailers.
- Managing digital shift requires hybrid models, investment in skills/infrastructure, rural-proofed policies, and collaboration across sectors.

[redacted] S 36

- Clarifies 3-mile radius adjusted for geography; LINK regulates cash access only.
- Rules improved three times; implementing cash demand index.
- Outreach includes MLA event; transparency via LINK website.

[redacted] S 36

- Reports 196 banking hubs in UK, six in NI (soon seven); Ballynahinch hub opened in three months.
- High satisfaction with hubs; awareness lower in NI than UK average.
- Outreach includes radio, newspapers, and Consumer Council events.

Minister

- Queries cross-border access consideration.

[redacted] S 36

- Cross-border not currently in rules; data difficult to obtain.
- [redacted] S 36

[redacted] S 36

- Notes complexity of issue; banks must make alternatives clear and respect charity mandates.
- FCA cannot make piecemeal changes; Emphasises multifaceted approach.

[redacted] S 36

- Highlights East/West trust issues; calls for stronger rural lens.

[redacted] S 36

- Banking services need same protection as cash; process too slow.
- Warns against unrealistic expectations of PO and small businesses for banking services; privacy concerns.

Minister

- Not criticising but observed lack of privacy at Warrenpoint hub.

[redacted] S 36

[redacted] S 36

- Criticises reactionary policy; calls for pause on closures to support hub uptake.

[redacted] S 36

- FCA lacks power for blanket pause; forcing banks to keep branches open risks anti-competitive outcomes.

[redacted] S 36

- Emphasises trust; PO working with LINK on digital banking machines.

[redacted] S 36

- Highlights importance of human interaction for vulnerable groups.

Minister

- Agrees services must balance digital and personal; holistic approach needed.

[redacted] S 36

- Questions FCA powers and LINK role; asks about assessment process.

S 36 [redacted]

- FCA powers appropriate; cannot force banks to operate in specific ways.
- Pausing closures could hinder banking development.

S 36 [redacted]

- Explains two-stage assessment process; NI visits occur even if criteria unmet.
- Banks must notify LINK of closures six months in advance.
- Appeal process can overturn hub rejections.

<u>Agenda Item: Financial and Digital Inclusion</u>

Minister

- Introduces theme on financial and digital inclusion.

Wendy Lecky

- Key areas identified: maintain cash access, improve digital skills/infrastructure, address financial education gaps.
- **Suggestions:**
  - Expand Post Office role for banking services and financial education.
  - Review rural access metrics (e.g., 3-mile radius).
  - Develop regional strategy for financial education in schools and communities.
  - Simplify digital banking systems for charities and voluntary groups.
  - Embed NI-specific needs in policy, including rural-proofing and cross-border considerations.
- NI-specific issues: micro-business reliance, limited affordable lending, higher cash use, poor rural broadband, gaps in financial education, and need for credit union involvement.
- Calls for investment in infrastructure and skills, treating digital access as a fundamental right, and strengthening local institutions.

S 36 [redacted]

- Highlights NI's unique challenges: lowest wages, highest cash usage, high benefit dependency, and disadvantage.
- Criticises GB-focused Financial Inclusion Strategy; NI lacks low-interest loan schemes and faces illegal lending risks.
- Advocates for legislative/regulatory parity and an NI-specific action plan.
- Notes gaps in financial education for youth outside formal systems.

S 36 [redacted]

- Highlights lack of NI representation on strategy committee; calls for engagement with Dept for Communities and Dept for Economy.

Minister

- Commits to engaging DfC and DfE; see what they can do, references Treasury's call for evidence and mentions that he will share roundtable summary report.

[redacted] S 36

[redacted] Suggests banking hubs should provide financial education; [redacted] S 36

[redacted] S 36

- Notes youth strong in digital but weak in financial literacy; elderly fear scams and lack human service. Forced digitisation in branches.

[redacted] S 36

- Highlights governance issues in charities due to tech challenges and poor bank support; trustees sometimes use personal accounts for charity funds; digitisation isn't fit for purpose.

[redacted] S 36

- Sympathetic to issues.
- Banks face challenge of maintaining physical presence while competing digitally; pushing for NI representation on Financial Inclusion Committee.
- Suggests prioritising by harm level and considering 24/7 helpline.

[redacted] S 36

- Emphasises prioritising demand for cash and services.

[redacted] S 36

- Stresses rural considerations already highlighted in government acts.

[redacted] S 36

- Notes behavioural changes will ease over time.

Minister

- Concludes with emphasis on a holistic approach.
- Will share report with Treasury.

ACTION POINTS / ISSUES AGREED & OFFICIAL RESPONSIBLE • Summary Report to be produced and shared with attendees (Wendy Lecky). • DoF to engage with the Departments for Communities and Economy in relation to financial inclusion (Wendy Lecky). • Minister will share report with Treasury seeking formal response (Wendy Lecky).

NOTE WRITTEN BY:	**DATE:**
Paula Dawson (Pre-brief)	XX XX 2025
Julianne Kieran (Roundtable)	03 December 2025

DoF PRIVATE OFFICE - NOTE OF MEETING

☐ **Internal**	☒ **External**