

I am pleased to respond on behalf of Alzheimer's Society Cymru to the [Economy, Infrastructure and Skills Committee inquiry into Access to Banking](#). Alzheimer's Society is the UK's leading dementia charity. We provide information and support, improve care, fund research, and create lasting change for people affected by dementia. Our mission is to transform the landscape of dementia forever. Until the day we find a cure, we will strive to create a society where those affected by dementia are supported and accepted, able to live in their community without fear or prejudice. Alzheimer's Society Cymru welcomes the Committee's interest in access to banking in Wales.

The current position regarding access to banking services in Wales, to include issues relating to financial inclusion and digital inclusion.

Alzheimer's Society Cymru believes that access to banking services in Wales is piecemeal at best, and is highly dependent on a person's postcode, creating an inequality of service across Wales.

The obvious indicator of this inequality is bank branch closures. According to Which? Wales has seen 235 bank branch closures since 2015¹, an average of 59 closures per year. The FSB produced a report in October 2016 looking at the impact of bank closures, which highlighted that "over 600 bank branches closed in Britain between April 2015 and April 2016, with five of the top ten areas losing banks being in Wales - Powys, Denbighshire, Gwynedd, Conwy, and Carmarthenshire. Large banks were three times more likely to shut a branch in Wales than in the southeast of England or London, when closures were averaged out for the size of their populations."² This clearly shows that people in Wales are worse off when it comes to the closing of bank branches than the rest of the UK.

Whilst this has a negative effect for the general population, the impact on people living with and affected by dementia is magnified hugely. This is best exemplified by Abergele, where in the past three years; branches of HSBC, Barclays, NatWest, Santander and Yorkshire Building Society

¹ <https://www.which.co.uk/money/banking/switching-your-bank/bank-branch-closures-is-your-local-bank-closing-a28n44c8z0h5>

² FSB - Locked Out: The impact of bank branch closures on small business. Available [here](#).

have all shut, with the branch of HSBC being the last one to close in 2018. Residents in Abergele now have to travel to Colwyn Bay or Rhyl to go into a bank, a journey of around 7 miles.

For those who do not have access to transport, either personal or public, making this journey can be nigh on impossible, having to rely on family and friends in order to make the trip, withdraw money, and use local services.

Banks should be mindful of the customers who are not necessarily comfortable using online services who may be alienated by bank closures. This is likely to disproportionately detriment the older population where online use is low compared to other age groups, which is likely to particularly impact people with dementia. Particular consideration should be given by financial services providers as to how staff can be alert to vulnerability in an online environment where there is little or no human interaction.

For many people, banks are a key part of community life, and may often be the only social interaction someone has for a few days. Over a third (39%) of people with dementia have said they have felt lonely recently.³ Reducing the number of branches is further curtailing the ability of people living with dementia to independently manage their own finances and is leading to an increase in the rates of social exclusion in Wales as people struggle to find reasons to go out.

Increasingly, banks are offering the Post Office as an alternative to bank branches, a move that would be welcomed if not all the branches in an area were being closed and replaced with a Post Office service or other service. However, it is often the case that mobile banks visit towns at most, once a week, and sometimes even less frequently, whilst the Post Office themselves are also undergoing closures, for example, a recent decision in 2018 to close 48 branches in North Wales.⁴

Financial services need to consider the impact of modernisation on their customers including the potentially disproportionate discriminatory effect on people with dementia and must be aware of the fact that not everyone is comfortable with some elements of technology, and some of the new technological advances can cause specific issues for people with dementia. For example, the use of long phone menus in telephone banking can present problems due to the memory loss experienced by some people living with dementia, which people have told us has resulted in them forgetting the reason for calling by the time they get through to someone.

Face to face contact can be particularly important for people with dementia as it enables non-verbal forms of communication such as body language to play a part and lends scope for environmental factors (such as branch design and the creation of quiet spaces) to facilitate better communication.

Providers should review the information they provide from the point of view of accessibility to a person with dementia which may mean presenting the information by different means or in a different format. They should also be aware in this context that a number of people with dementia will also have some form of sensory impairment (such as sight loss, hearing loss or both).

³ Alzheimer's Society - Dementia 2013: The hidden voice of loneliness – Available [here](#).

⁴ <https://www.royalmailgroup.com/en/press-centre/press-releases/post-office/post-office-confirms-changes-to-network-in-north-wales/>

There are currently a range of issues for people with dementia when it comes to accessing financial services. It is unjustified that people with dementia are excluded from accessing services. Providers should demonstrate awareness of their duties under equalities legislation and should be held to account in that respect within their regulatory framework. As described in our [dementia-friendly finance & insurance guide](#), several changes need to be made in various parts of the business (people, process and place) in order to improve accessibility to financial services for people with dementia.

The use of the guide is best exemplified in Wales by Principality Building Society. Principality has supported the roll out of this guide, and, to ensure that their customers have access to the right support, Principality Building Society have committed to becoming a dementia friendly organisation. As part of this work, they are currently undertaking an audit of their branches, to ensure that customers are welcomed into a dementia friendly environment and are aiming for all staff to become dementia friends by the end of 2019.

For people living with and affected by dementia, having access to cash can be of significant benefit. There are 25 million people in Britain, or 47% of the population, for whom living in a cashless society would present real challenges. Going completely cashless simply isn't an option yet. For those with a carer who shops for them, cash helps track what they've spent. And for some with physical or cognitive disabilities, handling cash is easier than remembering a PIN or reading a screen.⁵

Meanwhile, the way that we deal with money is rapidly changing, with financial transactions becoming more personalised yet differentiated. This poses serious challenges to people with dementia, who require support to manage their money and stay safe from financial abuse. Most work on this subject to date has focused on older people in general, overlooking the particular circumstances of people with dementia.

These circumstances vary considerably. People with dementia who have wealth and resources may attract those keen to exploit them through fraud or theft. At the other end of the scale, those with few assets are less likely to make future plans; as their cognitive abilities decline, they may find themselves struggling to manage their finances.

Financial planning is particularly important for people with dementia, because they are likely to face the highest long-term care costs. The increasing prevalence of dementia means growing numbers of people will need support to manage their finances over the coming years.

Cognitive impairment can have a huge impact on someone's ability to look after their finances. However, we know that people with dementia, even in the later stages, want to stay involved with their money wherever possible. For people to do so while protecting themselves from abuse, they must feel comfortable and empowered to talk about financial issues openly, before and after diagnosis.

Having dementia puts many people at greater risk of financial abuse for many reasons. For example, people with dementia may be less able to judge risk, while living alone might make them more vulnerable. Moreover, the fact that someone has dementia can, in itself, make it difficult to detect when financial abuse is happening.

⁵ Access to Cash Review March 2019 Final Report. Available [here](#).

Currently there are too many loopholes and problems in the systems which should be protecting individuals from financial abuse. In particular, the services offered by banks and other providers are not meeting the needs of people with dementia and carers. Those who support people with dementia need greater understanding of financial abuse, so they can spot the signs or prevent it happening. At the moment, too many people are being let down, leaving them more open to financial abuse.

Alzheimer's Society Cymru would therefore call for the work of Wales Against Scams Partnership (WASP)⁶ and the work they do to prevent scams for everyone in Wales, not just those living with dementia. We would call on the Welsh Government to consider the implementation of the four key principles of their charter⁷ across all industries and sectors in Wales where scams are possible.

Alzheimer's Society Cymru would also like to draw the Committee's attention to our report 'Short changed: Protecting people with dementia from financial abuse' which contains the following recommendations:

1. Recognise that people with dementia are at much higher risk than others of financial abuse
2. Improve knowledge and awareness about financial management and planning among people with dementia, carers and professionals
3. Improve awareness of prevention mechanisms to help stop people with dementia being repeatedly targeted by cold callers and scams
4. Improve community support services for people with dementia to manage their money
5. Strengthen the role of local trading standards departments to work closely with all groups supporting people with dementia to protect people from financial abuse
6. Ensure that banking systems are better equipped to support people with dementia and carers to manage their money safely
7. Increase access to independent advocacy for people with dementia
8. Bring together adult safeguarding and financial assessment teams with local authorities to work collaboratively on cases of suspected financial abuse involving a person with dementia
9. Improve data sharing between agencies, and consistently implement multi-agency policies to prevent and prove financial abuse.⁸

We would like to highlight the 'quick wins' that the Welsh Government can achieve in helping the financial sector stop scams and financial abuse of people living with dementia. Recommendation three in our report covers prevention mechanisms, and we would like to showcase the work of 'Call Blockers' in South Wales. Call Blockers installed trueCall units across South Wales for consumers who are at risk of responding to scam calls, funded by National Trading Standards (NTS) for persons with Dementia.

Between 2014 and 2018, 145 units have been installed across South Wales, blocking 30,939 nuisance calls and stopping 35 scams. This has allowed for savings of £125,847. Call Blockers estimate that over the five year life of the project, the units will have blocked 45,407 calls, prevented 268 scams and saved vulnerable households £498,832. The project predicts that this

⁶ <https://www.ageuk.org.uk/cymru/our-impact/policy/wales-against-scams-partnership/>

⁷ WASP Charter – Available [here](#).

⁸ Alzheimer's Society - 'Short changed: Protecting people with dementia from financial abuse' – available [here](#).

will lead to a reduction of £451,413 in NHS health & social care costs, amounting to a total projected saving £950,245 for a project cost of £22,475, a payback of 42 times the cost.

Finally, Alzheimer's Society Cymru would like to raise the issue of access to services in Welsh as a point of inclusion. Alzheimer's Society Cymru recognises the fact that Wales is a bilingual nation, and in some communities across the country, multilingual. However, we would like the Committee and Welsh Government to be aware that when a bilingual person has a diagnosis of dementia; it is often proficiency in a second language that is lost first. It is therefore vital that current services are not stripped away from Welsh Language communities, and those that are moved, re-purposed or digitised allow access in the Welsh Language to enable people living with dementia to access the services in the language of their choice.

According to StatsWales, Wales has an over 65 population totalling 562,544 people. Of these, a total of 90,932 are classed as Welsh speakers, a total of 16%. Among this age group, the average prevalence of dementia is 16%. This includes prevalence of 1.7% for those aged 65-69 years, to 41.1% for those aged 95+. It is clear from this data that as people age, they are more likely to develop some form of dementia, and that rates of spoken Welsh stay fairly consistent among the over 65 population. It is therefore crucial that current services are not stripped away from Welsh Language communities, and those that are moved, re-purposed or digitised allow access in the Welsh Language to enable people living with dementia to access the services in the language of their choice.

The variety of ways in which branch closures and access to free ATMs can affect local communities.

Alzheimer's Society Cymru believes that the closures of bank branches and access to free ATM's can only have a negative impact on communities and people living with dementia in those communities.

Alzheimer's Society Cymru provides services, such as Side by Side that helps people with dementia to keep doing the things they love. The service helps people get out and about with the support of a volunteer doing an activity of their choice. This might be anything from joining a local club, to going to the football, a cafe or simply a stroll in the park. This extra support can make it easier for people with dementia, who might sometimes feel isolated or find it difficult to leave their homes, to do things we might take for granted and feel part of their local community. The service is highly flexible and built around the individual and their needs. As part of this, access to banking and free ATM's can play a huge part in the routine and activities undertaken by the person living with dementia and their volunteer, from allowing volunteers to go with their person to withdraw money for a coffee, right through to allowing volunteers to help their person gather information on key decisions, such as Lasting Power of Attorney. Bank branches and free ATM's play a vital role in the continuing delivery of our services, such as Side by Side.

For many people, banks are a key part of community life, and may often be the only social interaction someone has for a few days. Over a third (39%)⁹ of people with dementia that we spoke to said they have felt lonely recently. Reducing the number of branches is further reducing the ability of people with to independently manage their own finances and increasing social exclusion.

⁹ Dementia 2013: The hidden voice of loneliness, Alzheimer's Society. Available [here](#).

The impact of branch changes and closures can be best evidenced by the impact on people living with dementia. A member of Alzheimer's Society Cymru staff made us aware of an 87 year old who was in supported accommodation in Cardiff. He used to attend his local bank with a support worker to sign to withdraw his money. The bank staff knew him & knew his support worker and enabled the gentleman to withdraw his money in this fashion, ensuring that the gentleman had a means of accessing his money that was reliable, and followed the same routine. Then, a new manager arrived at the branch and froze the gentleman's account as the new manager believed that the gentleman didn't really know what he was doing. The gentleman was then blocked from withdrawing his money, and found that he didn't have a reason to leave his accommodation after this. He sadly passed away a short time later, with the issue unresolved.

Whilst we understand that in some cases, this form of intervention may be necessary to prevent scams and abuse of vulnerable people, including people living with dementia; there needs to be an understanding of the varying circumstances of people living with dementia to ensure that they retain the best access to financial services, their money and have a reason to visit town and village centres whilst also protecting them from financial abuse and scams.

To understand the potential process, benefits and challenges involved with establishing a community bank with multiple branches in Wales.

Alzheimer's Society welcomes the idea of a community bank with multiple branches in Wales due to the benefits it would bring in reducing social isolation for vulnerable customers who may be at risk of social exclusion, including people living with dementia. We would also welcome any community bank providing online services, providing that they were made available in a dementia friendly fashion, allowing as many people as possible to access and utilise these services.

Alzheimer's Society also welcomes the fact that Post Offices are becoming alternatives to bank branches in many towns in Wales. However, as noted previously, it is concerning that the Royal Mail Group are considering a condensing of their offer. We welcome the fact that basic banking transactions can be carried out at Post Office branches alongside the sale of products such as insurance policies. This is reassuring for many people and may offer a potential alternative solution to a community bank. However, since Post Offices in rural locations are naturally limited in what services they offer, we believe that there is a space in the market for a community bank to fill the gaps in service in these rural areas.

With this in mind, Alzheimer's Society Cymru would like to see a Wales in which, in order to maintain their trust and recognition from their customers, financial services should work with shops and other community businesses where possible to retain their presence on the high street and remain accessible to everyone in the community, where possible co-locating services.

However, Alzheimer's Society Cymru is aware of some challenges with this proposal. Some customers may have been banking with a particular bank for several years and will have gained trust in this organisation over this time. It is uncertain whether people will feel comfortable going to a new community bank, or whether they will be able to get the same level of familiarity with a community bank that they would have received with their individual bank in the past. These factors might reduce the possible impact on reducing social isolation that a community bank could bring about.

Conclusion

Alzheimer's Society Cymru believes that there are significant challenges facing the banking sector, and access to these services for people living with dementia in Wales at the present juncture. These include the reduction in the number of bank branches, an increasing move towards online and digital services, a reduction in the number of ATM's available, difficulties accessing these services in the language of choice and the social isolation issues these can bring.

However, we believe that with the right interventions, including the creation of a community bank and the implementation of the recommendations in Alzheimer's Society 'Dementia friendly financial services' charter, the issues highlighted in this submission can be rectified and turned around to create a positive and inclusive financial services sector in Wales, both for those living with dementia and the wider community.

We welcome the Economy, Infrastructure and Skills Committee's interest in access to banking in Wales, an issue that is vital to the 45,000 people living with dementia in Wales, and the wider community as a whole. If you require any other information, please do not hesitate to contact me.