

Jane Hutt AS/MS  
Y Gweinidog Cyfiawnder Cymdeithasol  
Minister for Social Justice



Llywodraeth Cymru  
Welsh Government

Your ref P-06-1335  
Our ref JH-/00391/23

Jack Sargeant MS  
Chair - Petitions committee  
Senedd Cymru  
Cardiff Bay  
Cardiff  
CF99 1SN

15 May 2023

Dear Jack,

Thank you for raising this important issue which is complex, and in terms of banking and access to cash, is a non-devolved matter. The issue is exacerbated by bank closures which are presenting real challenges for many retailers, particularly smaller businesses, when needing to deposit cash locally.

Welsh Government supports, wherever possible, the need businesses to accept cash, however our levers are limited in this space as this is entirely a voluntary decision based on commercial considerations.

The Minister for Economy has recently been made aware of this issue and will discuss it with social partners, stakeholders / business representative groups and associated retail and hospitality sector to encourage them to retain cash systems to ensure vulnerable groups are not disadvantaged in any way.

The provision of digital only payment routes with no option to use cash as a payment method raises potential equality of treatment issues. Recipients and providers of services in both the public and private sectors are impacted. There are risks that a cashless requirement could indirectly discriminate against persons from certain protected characteristics. Officials are looking to explore this in more detail.

There is significant overlap between those who rely on cash and those who need face to face support for their banking needs. This population will often be the most vulnerable, including elderly and disabled people and those who are digitally excluded.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I recognise that it is inevitable that payments and banking systems will continue to innovate and that is positive, but we need to ensure that digital advancements do not further deepen exclusion for some groups. This will require protecting cash-based services and pressing the banking sector to have effective strategies for digital exclusion.

I am aware the FCA will be monitoring cash acceptance, tracking the accessibility of cash use. I understand the FCA have started this work by surveying retailers on whether they would turn away customers who can only pay in cash.

In terms of wider cash access, through the UK Government Financial Services and Markets Bill I understand there will be statutory protection for access to cash and depositing cash. Whilst this will go some way to protect the continued use of cash, the new powers provided to the FCA do not extend to cash acceptance.

I am concerned about the discriminatory concerns of the examples raised in the petition. The Welsh Government is committed to creating a fairer society, where diversity is valued and respected, where people do not face discrimination and prejudice and a society where everyone can participate, flourish and have the opportunity to fulfil their potential.

The Welsh Government is fully committed in supporting all disabled people in Wales and has set up the Disability Rights Taskforce which will run until 2024. It brings together people with lived experience, Welsh Government Policy Leads and representative organisations to identify the issues and barriers that affect the lives of many disabled people. The Taskforce works within the scope of the Welsh Government's legal remit and not in areas that solely fall under the UK Government's responsibilities.

In February 2022, a number of workstreams were identified as priority areas for the Taskforce, which included Access to Services (including Communications and Technology). I recommend that Mencap Cymru engages with this group so this issue can be fed into the appropriate forums.

Yours sincerely,

A handwritten signature in black ink that reads "Jane Hutt". The signature is written in a cursive style with a horizontal line above the first name.

**Jane Hutt AS/MS**  
**Minister for Social Justice and Chief Whip**