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Government agrees to enshrine in law a requirement for banks to provide customers with convenient free access to cash on the high street

By [JEFF PRESTRIDGE, FINANCIAL MAIL ON SUNDAY](#)

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The Government has agreed to enshrine in law a requirement for banks to provide customers with convenient free access to cash on the high street.

The move comes against a backdrop of **hundreds of bank branch closures** since the start of last year – and a steep long-term decline in the number of free-to-use cash machines.

Reduced access to cash or a bank makes it difficult for cash-dependent people – especially the elderly – to go about their everyday lives, whether doing their banking or shopping.

The step represents a big victory for the MoS, which has championed the right of consumers to have nationwide access to cash. We have fiercely campaigned against bank closures, especially when they turn a community into a banking desert.

We have also been instrumental in banks agreeing to fund new-style banking hubs in communities which have lost their last bank. These hubs provide banking services for all customers – business and personal – of the country's biggest banks.



Cash in hand: Reduced access to cash or a bank makes it difficult for cash-dependent people to go about their everyday lives, whether doing their banking or shopping

'Well done MoS,' said Baroness Ros Altmann on Friday. It was Altmann, prompted by consumer group Which?, who persuaded the Government to toughen up legislation passing through Parliament, paving the way for 'minimum levels of free access to cash'. She was backed by Life Peers from all three main political parties.

Although the amendment to the Financial Services And Markets Bill is unlikely to stem bank branch and ATM closures, it should mean that every high street will now allow consumers to withdraw cash for free. This is likely to be through a free-to-use ATM, bank branch, hub, Post Office or even a cashback service provided by a local retailer.

'It is great news and about time there was recognition of the role played by cash in many people's lives,' says Altmann.

Government figures confirm that more than two million over-70s do not access the internet. This means they cannot do banking online and are reliant on the high street.

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Over the last 15 months, the big banks have shut or announced their intention to close almost 900 branches, bringing the number left to around 5,000.

Although the number of free-to-use ATMs only fell by four per cent last year, more than 15,000 cash machines have been removed from high streets over the past five years.

Which? says that without Altmann's amendment, the objective of the new legislation – protecting access to cash – would have been undermined as swathes of free-to-use ATMs were either shut or replaced with fee-charging machines.

It adds: 'Free access to cash is important for those on lower incomes as some fee-charging ATMs levy fees of up to £2.'

Rocio Concha, director of policy and advocacy at Which?, says: 'Whether it's to buy everyday essentials or to keep track of spending during the cost-of-living crisis, cash is important for millions of consumers.'

'With bank branches and ATMs closing at a rapid rate, those who are not yet ready or able to make the switch to digital payments must not be left behind. We have campaigned to ensure that laws protect free access to cash and are delighted the Government agrees that people should not have to pay fees to access their own money.'



Victory: Campaigner Ros Altmann

John Howells, chief executive of cash machine network Link, agrees. He believes the toughening up of the legislation represents a big step forward.

Link has already had to protect 3,400 free-to-use cash machines that would have been shut. In a deal with the banks, it has recommended more than 100 banking hubs in communities where all branches have been axed.

The task of opening them is in the hands of Cash Access UK, funded by the banks. So far only a handful have opened, the latest in Troon, South Ayrshire.

Howells says: 'At least five million people rely on cash and although its use is declining, we must protect access to it.'

Tulip Siddiq, Shadow City Minister, said: 'If the Government is serious about ensuring no one is cut off from the services they need, it must go further and adopt Labour's policy to protect face-to-face banking services.'