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**DEPT OF HEALTH
RECEIVED**

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Dear Patricia

**CORRESPONDENCE
PRIVATE OFFICE CC1**

Thank you for your letter dated 26th October.

I am always concerned to learn of cases where disabled people and others experience difficulties in opening and operating bank accounts. I am sure you are aware that all banks take their responsibilities under the Disability Discrimination Act very seriously and are constantly monitoring service levels and reassessing how the provision of services to disabled customers can be improved.

The BBA operates a Disability Working Party and through the members of that group member banks have been made aware of the contents of your letter.

It is true to say that none of the issues come as a surprise to us. My colleagues and staff from all the banks maintain a close link with disabled groups, social services and other stakeholders. All banks work hard to eliminate the difficulties you have described and I am aware that member banks maintain good relations with the vast majority of their disabled customers. I am sure you will be aware just how successful the basic bank account initiative has been with over 2 million post office accessible accounts opened. There is no doubt this initiative has been a great success in embracing the previously financially excluded and making available banking services to many of the clients of social services departments.

I am happy to deal with the issues you raised in your letter.

Proof of Identity and Opening Accounts

You will be aware that the Money Laundering guidelines have been amended and banks are now allowed to adopt a more pragmatic risk based approach.



The formal guidance on this subject makes it clear that banks should adopt an approach that accommodates customers who may find it difficult to produce the standard type of documentation.

We are confident bank staff are aware of these new flexible rules and their duties towards disabled customers. In all cases concerning clients of social services departments it should be possible to arrive at a suitable form of identification, letters concerning pension or benefit entitlement and confirmation of identity from a social services manager are normally acceptable. We always encourage members of social services to discuss these issues with their local bank staff and hopefully such a line of communication should resolve the cases that have been brought to your attention. If certain banks figure more prominently in the feedback you are receiving I will be happy to inform them on your behalf.

Signing Cheques

I am sorry to learn that some bank branches are making it difficult for disabled customers to use their cheque books. This should not happen for I know that all banks have arrangements in place to facilitate the use of cheques by customers who are disabled. Those customers who use a rubber stamp to apply a signature for other purposes may agree this method with their bank. Of course security is paramount and it may be that some customers will feel safer using other methods of making payments by way of electronic banking or standing orders for example. Customers who have difficulty in accessing their bank accounts should discuss their needs with the bank concerned and I am confident all reasonable efforts will be made to accommodate them.

Standard Letter from Social Services

I confirm that this letter is still acceptable as a form of introduction for customers who wish to open an account for the acceptance of direct payments. Members are aware of this and if you have identified a particular problem with specific banks I shall be pleased if you will let me know.

Direct Payment Accounts

Our members are aware that funds should not be taken from separate designated basic bank accounts used solely to collect direct payments, to settle debts on another account. Of course it is not always clear that an account is to be used solely for handling direct payments. Social services departments or the Department of Health should inform their contacts within the head offices of the bank concerned, or through us, of cases where direct payments to designated accounts have been taken to repay overdrafts.

Basic Bank Accounts and Cheques

The guidance provided by the Department of Health makes it clear that cheque books are not issued on basic bank accounts. When basic bank accounts were first established it was agreed with Government that cheque books would not be made available. The aim was to make it difficult for customers to borrow and the costs associated with returning cheques unpaid and the message such an action would send out about customers is not in keeping with the whole rationale behind basic bank accounts.

Of course customers can set up direct debits and most banks permit standing orders which can be used to make regular payments. In addition some banks permit access to basic bank accounts via the internet and telephone.

One of the aims of the Basic Bank Account is to encourage customers to manage their affairs to the extent that they can upgrade their account to a normal current account. There is no reason why this upgrading should not apply to individuals you are concerned about.

We value the relationship we have with various government departments and other stakeholders. Their feedback is always helpful and I am very grateful to you for taking the time to write to us. You can rest assured our members will learn from the concerns you have described and we will continue to work at building up a better relationship with any sector of the community who finds it hard to conduct business with the banks.

Kind regards

*Yours aye,
Ian*

Ian Mullen
Chief Executive