



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Consumer Protection Code Review

Inclusion Ireland Response

Response Information

I am completing this form as:

An organisation or representative body

What is the name of your organisation or representative body?

Inclusion Ireland

Please specify your organisation/representative body type.

Charity

Broad Theme A – Availability and Choice

Q.1 What are your views on availability and choice of financial services and products for consumers?

A number of people with intellectual disabilities reported that when they go in to the banks to open accounts staff are questioning capacity without any legal basis, should be assumption of capacity in accordance with ADMA.

Although people with Intellectual Disability can receive Disability Allowance at 16 they can't open an adult bank account until 18.

Many people with an intellectual disability do not have drivers licence or passport so do not have any ID to open their own account.

Many banks only offer basic level account to people with a disability so they can't do a direct debit or get a card that can be tapped.

People who don't own computers or have digital literacy are getting excluded from modern banking as physical banks closing in many locations.

If people are only in receipt of a social welfare payment they may not be able to get out their last €20 from an ATM and need to be able to go in to a bank to access their money.

Some banks have dedicated desks to support people to discuss options or set up accounts but many do not so people are forced to bring a third party like family/service staff with them even if they would prefer manage finances privately.

Often an onus put on the consumer to learn what products are out there instead of organisations offering clear and open advice in an accessible way.

Use of JAM cards in financial institutions would give people time to process and respond.

People have reported that when taking cash out in the bank the teller has asked them what they intend to spend their money on, this is none of the banks business it is the persons choice.

Q.2 How important are new providers and new delivery channels to serving consumers' financial needs?

New offer is important but it should not replace the offer that was already here before. Reference to what was mentioned above about physical banks/digital banks. Many people (not only disabled) need physical interactions, statements etc.

On low income people often prefer use cash as they can physically see how much money they has left for the day but many new financial products are forcing people to use cashless options.

Support for customers (ex: dedicated desk, use of JAM card) should be a standard for all new bank/services opening.

Q.3 In implementing its consumer protection mandate, how should the Central Bank reflect the importance of competition in its regulatory approach?

Broad Theme B – Firms Acting in Consumers’ Best Interests

Q.4 Do you agree that the Central Bank should develop guidance on what it means for a firm to act in the best interests of its customers?

Not Sure

In the disability sector, especially when it comes to people with intellectual disability portrayed as vulnerable customers, acting in best interest of has often resulted in depriving people of their rights. The guidance should be careful on how best interest is described and make sure that decisions are not made without/ against the will of customers.

As noted above, people had their capacity questioned by staff or were asked how they were going to spend their money which would never happen with anyone else.

Q.5 Does the suggested outline of ‘customer best interest’ guidance capture the essence of the obligation to act in customers’ best interests? What other guidance would you suggest?

No

Customer choice and preferences would be a better alternative.

It ensures that customer remains at the center.

Theme 1 – Innovation and Disruption

Q.6 Do you agree with our proposed approach to enhancing our Innovation Hub?

Not Sure

No comments to be made about it.

Q.7 What more should be done to support innovation while ensuring consumers’ best interests are protected?

Making sure that innovation doesn't exclude any group of customers. This includes to keep innovating within the physical banking options to make it accessible for all as opposed to move all banking services towards digital platforms.

Q.8 How can regulators ensure that neither firms currently in the market, nor new entrants, have unfair advantages which could be a barrier to fair competition?

Theme 2 – Digitalisation

Q.9 Do you agree with our analysis of the benefits, challenges and risks around digitalisation in the area of financial services? What are the key issues for you?

As mentioned before, a range of options physical/digital has to remain available as it is not one size fits all.

Digital exclusion is a reality for many in rural areas. A number of people in congregated setting do not have access to a computer nor the Internet. Some of them do not have a bank account not a right to have access to their own money. There is a lack of digital skills for a number of people with intellectual disability, especially older people.

Q.10 How do you think the personalisation and individual-targeting of ads can be made compatible with the requirement for firms to act in the best interests of customers?

no comments on that

Theme 3 – Unregulated Activities

Q.11 The Code requires regulated firms to provide a statement indicating that they are ‘regulated by the Central Bank’. Do you think this is useful for consumers?

Not Sure

Q.12 How can the difference between regulated and unregulated activities be made clearer for consumers?

Accessible information through easy to read documents and videos.

Q.13 Should there be additional obligations on regulated firms when they undertake unregulated activities?

Yes

Theme 4 – Pricing Matters

Q.14 What can firms do to improve transparency of pricing for consumers?

Clear information and communication for all.

Easy to read and videos.

Q.15 In relation to pricing, are there examples of firms using unfair practices to take advantage of customer vulnerabilities?

Theme 5 – Informing Effectively

Q.16 How can regulation improve effectiveness of information disclosure to consumers?

Q.17 How can firms better support consumers' understanding –can technology play a role?

Q.18 Does the way in which firms approach disclosure in respect of mortgage products need enhancing? If so, how? - taking account of the wide variety of features of mortgage products, and borrowers' different circumstances and needs.

Theme 6 – Vulnerability

Q.19 Given that vulnerability should be considered more as a spectrum of risk than a binary distinction, how should firms' duty to act in their customers' best interests reflect this?

With the right support, training and accessible information and communication, everything can be made possible.

Do not assume the lack of capacity of someone, engage with them and try to understand as oppose to judge them.

As mentioned, we have heard of people taking cash out in the bank the teller has asked them what they intend to spend their money on, this is none of the banks business it is the persons choice. Moreover, people reported when they go in to the banks to open accounts staff are questioning capacity without any legal basis, should be assumption of capacity in accordance with ADMA.

Train banking staff to the new assisted decision making which sets out the new norm in terms of respecting people to make decisions and how to support them. This is key to ensuring a right-based approach of banking services and respect of people's will and preferences.

Q.20 What other specific measures might be adopted to protect consumers in vulnerable circumstances while respecting their privacy and autonomy?

Discussion and support should be the priority as opposed to act in someone's best interest and make assumptions about their abilities.

Ireland has had a parental attitude towards people with an intellectual disability where it is assumed they won't be able to manage their own finances.

The solution is to engage more with people with intellectual disabilities and understand what support they need to access banking services. Whatever decision is made, it has to be made with them. "Nothing about us without us" as people say in the disability sector.

Theme 7 – Financial Literacy

Q.21 What can the responsible authorities do to improve financial education?

Ireland has had a parental attitude towards people with an intellectual disability where it is assumed they won't be able to manage their own finances, therefore financial literacy is not something that is prioritised in many schools.

There can be an assumption of understanding just because somebody is in the room but the language used or words replaced by acronyms and abbreviations can prevent understanding.

Financial literacy can also be tied in with unmet digital literacy as more information is moved online.

If you are never told about MABS or other supports in you local bank, many people will not know where to look to get help to understanding finances.

There needs to be clearer understanding in financial institutes about addressing Financial Literacy (understanding budgets, using money) and Financial Inclusion (availability of products such as credit cards for people in receipt of social welfare payments or waiver of fees so those on the poverty line can use services without fear of part of a very small income being taken by a bank).

Q.22 How can consumers be empowered to better protect their own interests when dealing with financial matters?

If financial institutes had Inclusive boards with people who have lived experiences from a variety of backgrounds/disabilities the information and systems could be set at a the very beginning to suit any member of society.

For someone who suffers with fatigue, if they make an appointment to speak with someone in the bank at 12.00 and are not seen until 1pm, their financial literacy maybe reduced by the time the discussion happens because fatigue has settled in.

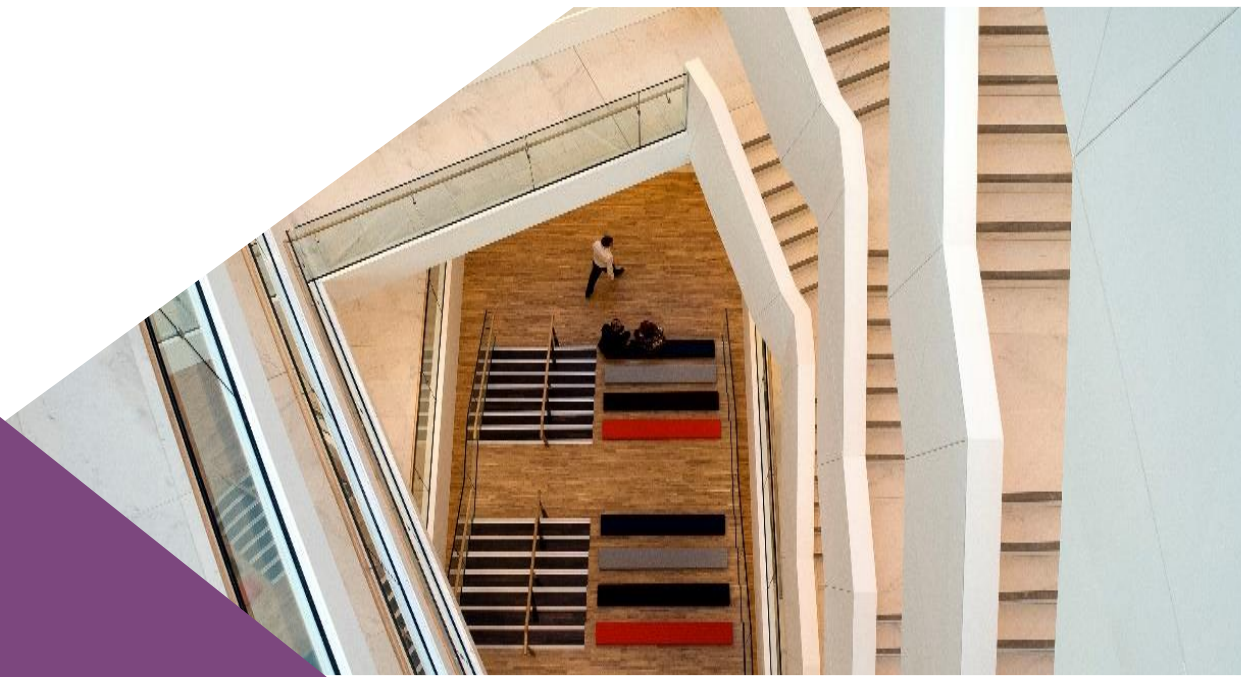
Plain English should be the minimum form of accessible language for paperwork and conversations but options or Easy to read and videos need to become the norm.

Theme 8 – Climate Matters

Q.23 How should the financial system best fulfil its role in supporting the transition to a climate neutral economy?

Q.24 How will climate change impact on availability, choice and pricing for financial products and services?

Q.25 Does the impact of climate change require additional specific consumer protections?



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