

Treasury Select Committee's Inquiry into consumers' access to financial services

Scope of the inquiry

This inquiry will look at consumers' access to financial services and whether certain groups of consumers are excluded, both in terms of obtaining a basic level of service from financial services providers as well as access to products including insurance. The inquiry will have a particular focus on the provision of financial products and services for vulnerable consumers.

Terms of reference

The Committee would welcome evidence on:

1. How should financial service providers define 'vulnerability'?
 - a. Examine how financial services firms define 'vulnerability' and assess how practical the Financial Conduct Authority's definition of vulnerability is.
 - b. Evaluate the training and practices in place at financial services firms in relation to vulnerable consumers.
 - c. Consider the merits of having a 'duty of care' for financial services providers and

examine whether this would increase protection for vulnerable customers.

2. Are certain groups of consumers excluded from obtaining a basic level of service from financial services providers?

- a. Examine which customers can be most disadvantaged when bank branches close and consider whether there is evidence to suggest that bank branch closure leads to increased financial exclusion.
- b. Consider how financial services providers plan to cater for customers who will no longer have easy access to a bank branch.
- c. Examine how providers ensure that their marketing, communications and support services are accessible to vulnerable consumers, including consumers who have low literacy levels.
- d. Consider the trends on the use of the Post Office services in areas where bank branches have closed and examine what role the government could play in maintaining the Post Office network to provide shared services.

- e. Consider whether there are barriers to participation which lead to consumers not having a bank account.
- f. Evaluate the systems and controls in place for Power of Attorney at financial services providers.
- g. Examine how financial services providers comply with equality legislation and the mechanisms for enforcement.
- h. Evaluate how regulators hold financial services providers to account for how they treat vulnerable customers, and how regulators instruct financial services companies to comply with equalities legislation.
- i. Evaluate how fintech and technological innovation could help those who cannot easily access physical financial services branches.

3. Do vulnerable consumers pay more for financial services products?

- a. Examine the effectiveness of procedures deployed by financial services providers to ensure that customers properly understand the products that they are purchasing, including those who have low literacy levels.
- b. Examine whether vulnerable consumers pay prohibitively more for certain financial services products, including travel and home insurance.
- c. Consider whether vulnerable consumers have access to appropriate and affordable credit.
- d. Evaluate the impact of reducing the number of free-to-use ATMs on vulnerable consumers.
- e. Evaluate how regulators assess whether financial services providers are providing products to consumers at a fair price.

[Submit your views](#)

You can submit evidence through our evidence portal, or please get in touch if you have special requirements for submitting evidence. You can

contact the Committee via email on
Treascom@parliament.uk or via the telephone on
020 7219 8222.