



Submission to: Northern Ireland Assembly Committee for Finance

Inquiry: Response to questions at evidence session of inquiry into the banking and financial services landscape in Northern Ireland

Date: 6 January 2024

1. Households without access to bank accounts

- Point 47 of our written evidence refers to the number of households in the UK without a bank account, and not a percentage of the population, as detailed in the Financial Inclusion Commission report [‘Financial Inclusion in the UK’](#).
- The report referenced data that shows that 5% of UK households have no current account. This increases to 8% in North-West England and Northern Ireland and 9% of households with gross weekly income under £200.

Consumer Council Research Northern Ireland Household Expenditure Tracker

According to the Northern Ireland Statistics and Research Agency (NISRA) statistics Census 2021 data¹, Northern Ireland has around 768,900 households.

The Consumer Council’s Household Expenditure Tracker divides the total number of households in Northern Ireland into four equal income quartiles, resulting in approximately 192,202 households within each quartile (25% of total households).

According to our latest Northern Ireland Household Expenditure Tracker², covering April to June 2024, households with a gross weekly income of under £200 would fall into the households in Quartile 1. This is based on the average gross household income for each income quartile:

¹ [Census 2021 Population and household estimates for Northern Ireland: Statistical bulletin](#)
NISRA, 2022

² [Q2 2024 Northern Ireland Household Expenditure Tracker | Consumer Council](#)

- Quartile 1 is £14,729.36 per year (or £274.57 per week over 52 weeks)
- Quartile 2 is £29,483.96 per year (or £567.00 per week over 52 weeks)
- Quartile 3 is £53,189.86 per year (or £1,022.88 per week over 52 weeks)
- Quartile 4 is £93,000.23 per year (or £1,788.47 per week over 52 weeks)

The Consumer Council is unable to estimate what proportion of Quartile 1 households have a gross weekly income of under £200, and therefore unable to confirm the number of these households without a current account.

- The survey data used is from the Department for Work and Pensions '[Family Resources Survey: financial year 2021 to 2022](#)'. This data is three years old and only relates to current accounts and does not include other accounts such as Post Office Card Account (POCA), credit union accounts, savings accounts, etc.

Consumer Council Research Lending, Savings and Debt

When looking at the population of Northern Ireland, our biennial research into lending, savings and debt³ has found:

- 92% of the population had a current account, dropping to 83% in social housing areas.
- 3% of the population had no form of bank account rising to 5% in social housing areas.
- 55% of the population had a savings account falling to 29% in social housing areas.
- 36% of the population had a credit union account falling to 25% in social housing areas.

2. Access to foreign currency in cross-borders areas

- The Community Cash Advisory Panel oversees the work of LINK as the Co-ordination Body that assesses the overall impact of bank branch closures on communities. The panel publishes opinions on whether the criteria are working, including suggestions about how they could change.
- The Consumer Council for Northern Ireland's Director of Postal and Financial Services, Sean Breen, is a member of the panel. In June 2024 the panel offered their [4th opinion](#) which noted the following:

'Foreign Exchange was not considered to be a priority service as there are alternative providers (Post Office or a customer's own bank by post/delivery) or

³ [Financial Services in Northern Ireland | Consumer Council](#)

facilities at airports/ports, and the principal customers for these services are not vulnerable. The exception for this was in Northern Ireland where customers, especially those close to the border, may have a higher demand for Euro exchange.'

3. Cash-only payments for goods and services

- The House of Commons Treasury Committee is inquiring into whether there is a need in the UK to regulate or mandate the acceptance of physical cash in the form of notes and coins.
 - The 'Acceptance of Cash' inquiry is also considering any need for legislation and/or regulation, and potential costs to consumers and businesses.
 - Oral evidence sessions and written evidence to the inquiry can be found [here](#).
 - The Consumer Council does not have any specific insights or data around cash acceptance; however, we will share any findings from future research relevant to this theme with the Committee.
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Contact information

The Consumer Council is happy to deliver follow-up briefing sessions or host Committee Members as they progress their inquiry into the banking and financial services landscape in Northern Ireland.

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