

# Banking on Change

Margaret Hurcombe

Increased access to banking services by people with learning disabilities.

Report commissioned by the Edinburgh Voluntary Sector Forum for Services to People with Learning Disabilities

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## Foreword

Edinburgh's Voluntary Sector Forum for Services to People with Learning Disabilities brings together voluntary organisations operating across the city. It has been operational since the early 1980s.

Over the years the Forum has pursued a number of themes. We have recently become aware of, and concerned about, the difficulties that people with learning disabilities can have in opening and managing banking arrangements. With financial support in the form of a grant from the Capital City Partnerships' Social Justice Change Fund, the Forum has been able to commission a short term research programme into the background to the barriers that exist, with examples of good practice, and into practical steps that can be taken to remove the barriers.

FAIR, a local organisation, which provides a free, confidential advice and information service to people with learning disabilities, their families, carers and supporters, has been commissioned to undertake the research and produce this report, and the Forum is grateful for the work they have undertaken.

This report is only the start. We believe that its content will be of concern, at a local and national level, and needs to be pursued. There are clear opportunities for work with clearing banks to promote mutual understanding of the issues and to overcome the significant barriers. By working together we can take forward this component of the Financial Inclusion Agenda, and develop consistency of practice, so that opportunities for inclusion are maximised.

**Shulah Allan**  
Chairperson – Voluntary Sector Forum for Services to People with  
Learning Disabilities  
June 2004

# Introduction

People with learning disabilities need to be able to open bank accounts. At the moment they regularly encounter problems when they try to do so. Edinburgh Voluntary Organisations Forum for Services to People with Learning Disabilities commissioned FAIR to carry out research in order to assess the scale and nature of the problems that people encounter in Edinburgh. This report provides a summary of findings and recommendations for change.

FAIR worked in partnership with people with learning disabilities to learn from their experience of discrimination and offer solutions that meet their needs. They gathered evidence about the problems that people face from individuals and from groups that represent or support people with learning disabilities.

To gather evidence FAIR publicised the research project in three local networks of people with learning disabilities, carers and supporters

FAIR Newsletter (circulation 1745, both individuals and organisations)

EVOC Notice Board (circulation 400 organisations)

Voluntary Organisations Forum for Services to People with Learning Disabilities  
(42 member organisations)

FAIR also contacted groups directly that had already identified problems

The Action Group

Edinburgh Advocating Together

Enable

Garvald Centre

Partners in Advocacy

People First

Powerful Partnerships

# Who are people with learning disabilities?

People with learning disabilities have a significant, lifelong condition that started before adulthood, that affected their development and which means they need help to

- understand information
- learn skills
- cope independently

People with learning disabilities are likely to need help with everyday things such as finding a place to live, security, social and personal relationships, leisure, recreation and work opportunities. They may also need help to understand information, support to make decisions and plan, learn skills, help with communication, mobility or personal care. Some people may have more complex needs arising from both learning disability and from other difficulties such as physical and sensory impairment, mental health problems or behavioural difficulties.

In the past people with learning disabilities lived in long-stay hospitals or remained in their parents' home all their life and were not visible in society. Today many people with learning disabilities live in their own homes with support from care services. These services are developing to enable people to have greater independence, choice and to live an ordinary life.

## How many people in Scotland have a learning disability?

*The Same As You?* (A review of services for people with learning disabilities, published by the Scottish Executive, May 2000) says studies suggest that, in Scotland

20 people for every 1,000 have a mild or moderate learning disability; and 3 to 4 people for every 1,000 have a profound or multiple disability

On this basis, there are around 120,000 people in Scotland with learning disabilities. The Scottish Executive estimates that only 30,000 people are in regular contact with local authorities or the health service in Scotland. Others may have occasional or short-term contacts.

The number of people with severe learning disabilities in the UK has increased by 50% over the last 35 years. The number of people with moderate needs has probably increased in much the same way. Research suggests that the number of people with learning disabilities will continue to grow by over 1% a year over the next 10 years.

# Financial Inclusion

Banking has expanded enormously over the last twenty years, but there are still some 2 million adults in the UK who use no financial services. These people are described as 'mostly not in employment, living on benefits, social housing tenants.' This is the situation of most people with learning disabilities.

The Government is committed to reducing financial exclusion, following a major Treasury report.

## **Access to Financial Services Policy Action Team 14 (PAT 14) Report, November 1999**

Following the Social Exclusion Unit's report on deprived neighbourhoods in 1997, PAT 14, a mixed group of civil servants and outside experts, was appointed by the Treasury in November 1998 to look at the scope for widening access to financial services. It made over 40 recommendations covering

- the scope for development of credit unions, building on planned legislative change
- increasing the availability of insurance services to deprived communities
- the role of retail banks, Post Offices and other organisations in providing access to and delivery of financial services in deprived neighbourhoods.

The drive to combat exclusion from financial services continues: in March 2004 the City of Edinburgh Council announced the launch of a city-wide strategy to ensure all Edinburgh householders have their own bank account. (See also Appendix 3)

## **Direct Payment of Welfare Benefits**

**Access to Financial Services** recommended that all benefits should be paid by automatic credit transfer (Direct Payment) by the end of 2005. The Department of Work and Pensions (DWP) is phasing out order books and girocheques and paying straight into bank, building society or Post Office accounts instead. This change affects everyone who uses order books, girocheques or payable orders to receive a benefit, state pension or war pension.

**The Government's decision to pay welfare benefits straight into a bank or Post Office account is going to make a huge difference, especially to people with learning disabilities. Benefits play a big part in the lives of people with learning disabilities. For most benefits are their only source of income.**

# Using Banks

Because of these changes and others, people with learning disabilities and their carers need to open bank accounts, but many encounter significant problems.

***Opening a bank account is a difficult thing for anyone to do especially if you have got a learning difficulty ... the new system needs to be explained***

Edinburgh Advocating Together / People First

Some of the problems that people with learning disabilities encounter are the same as those faced by many people, especially people from other marginalized groups. Some of the problems, however, are not faced by others and are largely the result of government policies that conflict with each other in ways that were unintended.

## Proof of identity

Since 1994, when the Money Laundering Regulations became law, all banks, building societies and other businesses providing financial services have had to put procedures in place to stop criminals from using them to launder their 'dirty' money. This includes the need to obtain proof of identity and address from anyone who wishes to open an account. As the **Access to Financial Services** report noted five years ago.

***People sometimes get refused a bank or building society account because they cannot provide identity documents to show who they are and where they live, or the banks say that only a driving licence or a passport will do.***

The report went on to conclude that ***the problem lies in the practical application of the regulations – rather than the regulations themselves ... in some instances the flexibility inherent in the regulations is not being applied sensibly.***

Proof of identity and address continues to be a problem, however. Edinburgh Advocating Together / People First told us

***One of the problems our members face is having to provide two forms of identification. Many of our members do not have a passport, drivers licence or utility bill. The banks should learn to accept what the person can offer as proof of identity.***

In fact passports and driving licences are not the only means of proving identity and all banks and building societies have procedures that permit other proof of identity and address to be provided. The British Bankers Association produces a leaflet, ***Proving Your Identity*** that covers this issue. It recommends discussing with a member of staff what sort of documents you can provide and, if necessary, getting them to refer the matter to someone who is authorised to decide exceptional cases. Direct Payments Scotland suggest that internet banking, which does not require attendance at a branch to open the account, may be a solution (but see below). Also different banks accept different proofs, so it could pay to shop around.

## Credit references

Someone with learning disabilities may overcome the first hurdle of proving their identity, only to stumble if the bank checks their credit rating. To open the most common type of account, an ordinary current account with overdraft facilities, most banks will do this. Many people with learning disabilities will not have a good credit rating, perhaps because they do not have a job or are not on the electoral register.

We only found one case in Edinburgh where this had happened recently. This is probably because most banks and building societies now offer a basic or introductory bank account. This account allows you to receive money and pay bills but will not allow you to overdraw. In the case mentioned the problem was solved by the intervention of a senior social worker, who wrote to the bank on the person's behalf.

## Signing your name

We found a number of people who had encountered problems because they were unable to sign their name or unable to give a consistent signature. In fact a wide range of disabilities can make it difficult for people to physically sign documents and there are a number of practical ways to overcome this problem. The British Bankers' Association has a section of their website called ***Signing your name: how to overcome difficulties***. This suggests ways of improving the consistency of your signature; how to reduce the number of cheques you have to sign; what to do if you cannot sign (use a rubber stamp, for example) and how to arrange for someone else to sign on your behalf.

Although this information has been available for some time we found that different banks have different approaches to this matter and some were more helpful than others.

# Issues that affect people with learning disabilities

## Capacity

Some people with learning disabilities do not have the capacity to open or manage a bank account. We found examples where a bank had made their own judgement about the person's ability to manage their account and refused to allow them to open one. In other cases a bank was willing to offer an 'in trust account' or set up a joint account or one which needs two signatories. In some cases it has been possible for a trust or circle of support to be set up for the person and to open a bank account. In these cases the trust or circle of support needs a formal, written constitution.

## Direct Payments for community care services

In this context a direct payment is money paid by the local authority directly to a person whom it has assessed as needing community care or housing support services. The local authority makes the payment instead of arranging services. The person uses the payment to purchase the relevant services (for example help in the house, to go out to work or with social activities).

Many people with learning disabilities rely on community care services for the support that they need. The changes that The Community Care and Health (Scotland) Act 2002 made to legislation on direct payments in Scotland affect them. On 1st June 2003, it became a duty for local authorities in Scotland to offer direct payments to disabled people who require community care services.

At the same time the Scottish Executive produced better guidance about how people with learning disabilities could use direct payments. As a result, in the past year the number of people with learning disabilities in Edinburgh who use direct payments has quadrupled and this increase will continue.

People who get a direct payment (or their carers) have to set up a bank account that will only be used for the money they get from direct payments and is separate from their personal account. Some people, who have not been affected by problems in opening a personal account, perhaps because they have an appointee who manages and receives their benefits, have encountered problems when trying to open a bank account to manage a direct payment.

The National Centre for Independent Living will be meeting with the British Banking Association later this year to see if they can agree a national policy which can solve the problem some people are having in this situation.

## Protection of Vulnerable Adults

The organisations that provide care services for people with learning disabilities are governed by both local and national regulations detailing their responsibilities. They have a duty to try to protect their vulnerable clients from all forms of abuse, including financial abuse. Organisations need to have clear guidelines for any member of their staff who is closely involved in helping a person manage their money or is a signatory on a bank account of a client. This can be quite a cumbersome arrangement and it seems that some banks are unwilling to accept the involvement of care staff in these situations.

## The Disability Discrimination Act

Banks are subject to the Disability Discrimination Act and are acting illegally if they treat people with learning disabilities less favourably than other customers because of their disability.

In providing a fair service to people with learning disabilities, a bank should make 'reasonable adjustments' to their practices. Many banks do this by providing documents in large, clear print, which uses plain language and illustrations. However, there are clear signs that they need to do a lot more to make the process less confusing. Both Enable, which represents people with a learning disability in Scotland, and Mencap, which does the same for England, Wales and Northern Ireland report that they have been contacted by people who are experiencing problems opening an account either for themselves or as a carer.

Edinburgh Advocating Together and People First said  
***Many of our members spoke about the problems when using their local banks. These include getting access, communication problems, information that's difficult to understand. People who work in the banks need to have a greater understanding of the problems that we face.***

As mentioned above, Direct Payments Scotland suggests that internet banking may be a way round some problems. We are aware that very few people with learning disabilities use the Internet, but those who attempt internet banking are likely to encounter serious access problems. Earlier this year the Disability Rights Commission published a report, ***The Web: access and inclusion for disabled people*** that showed that 81% of websites are inaccessible to disabled people. At the same time AbilityNet, the computing charity, published research that showed that only one of the top nine online banks in the UK is accessible to disabled people.

## Case studies

We found examples of both good and bad practice during our research.

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A man who has learning disabilities works in a café in Edinburgh. He has a bank account. He got overdrawn on his account and the bank added charges on because he did not have an authorised overdraft so he became more overdrawn. He went into the branch to find out what was happening, but did not understand what he was told. He came to FAIR for help and a member of staff went into the branch with him. The bank's customer services advisor explained that he had an account that offered extra facilities but attracted a monthly charge. The monthly charge was the cause of him getting overdrawn in the first place because the man had not left money in his account to pay the charge. The advisor explained what the extra facilities were and asked the man if he used them. He did not, so he asked if he could get a different kind of account. The advisor was able to change the man's account to an ordinary current account there and then. She also offered to speak to someone more senior in the branch to find out if the bank charges could be refunded. The charges were refunded within two days.

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A man who has learning disabilities and is profoundly deaf had similar problems with getting overdrawn and incurring charges. His bank sent him a long and complicated letter that he could not understand so he brought it to FAIR. It was clear that he needed to speak to someone in his bank and he needed to have a sign language interpreter present. A member of FAIR's staff telephoned the bank to ask to arrange this. This particular bank provides a centralised helpline for telephone callers. The person on the helpline seemed reluctant or unable to arrange an appointment and suggested that he use the Type Talk facility that they provide. We explained that he cannot read and write and needed to visit his bank in person to discuss the problem. It took a great deal of persistence to get the person on the helpline to take the matter forward, but eventually she put us through to the local branch. Staff there arranged an appointment, got a sign language interpreter and were extremely helpful. They advised the man how to arrange his direct debits to coincide with payments into his account, explained a simple way for him to avoid getting overdrawn and refunded the charges.

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One Scottish bank was unwilling to allow a man with severe learning disabilities to open any kind of account without a Financial Guardianship Order, using the provisions of the Adults with Incapacity (Scotland) Act 2000. The Act says

***There shall be no intervention in the affairs of an adult unless the person responsible for authorising or effecting the intervention is satisfied that the intervention will benefit the adult and that such benefit cannot reasonably be achieved without the intervention.***

The bank was asked to consider alternatives, as other banks had taken a different approach in similar circumstances, but they refused to consider them.

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Many of the problems that people encounter have to be dealt with by parents, carers or organisations that provide support for people with learning disabilities.

A parent told us

*Three years ago when I tried to get a bank account opened for my daughter the Bank were very difficult. I did everything including threatening them with a formal complaint to their head office. I am not sure what worked but one day they said ok let's try this.*

*Kirsten is unable to sign her name but uses a stamp with just 'Kirsten' on it. She goes into the Bank with her personal assistant and asks for a sum of money. The cashier makes out a pink slip (which is what we all used to use) and then asks Kirsten to stamp it. Once stamped (she needs some help to do this) the teller hands her the money.*

*In order to manage the account and not leave the responsibility to staff, my name is on it under a Power of Attorney. I hold her cash card and pin number for safety and all statements come to me at home. Kirsten can draw as much money as she wishes as often as she wishes. However, I do realise that where people do not have anyone except staff to support them then it will make the situation more complex and could be open to abuse.*

*Recently because of a merger between the Bank and another, they advised that if you hold a Power of Attorney for someone who has a bank account then you must take a copy to the bank for registration. When I queried this I was told that if someone is unable to completely manage their own affairs and a Power of Attorney isn't available then they would not be able to keep open the account. I was horrified at this and told them that they would be doing a great injustice to so many people labelled as having a learning disability and who already enjoyed the freedom of managing their own finances with support. They thought it was a very interesting point that I was making but I don't think they had a clue what I was talking about.*

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The Garvald Centre, Edinburgh told us that their clients bank with one local bank. Garvald had discussed their clients' needs with the bank and had very clear guidelines agreed with them about who would open what kind of account. Where someone had an understanding of how to manage their money and could sign their name they could open an account in their own name. Where someone had an understanding of how to manage their money but could **not** sign their name the bank required a solicitor or notary public to sign the application for an account. The bank would meet any costs involved in this. A third party mandate would also be completed to allow either a member of Garvald staff or a relative to operate the account. If it was judged that the person did not have the capacity to understand money and manage an account then Garvald opened an 'in trust for' account for the person.

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The Church of Scotland told us that their clients had not experienced any problem opening accounts. One client, who is a wheelchair user, however, found that he could not get into his local branch.

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Redwoods Caring Foundation also told us that they had not experienced problems.

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## Post Office Accounts

If a person cannot get (or does not want) a bank account they have the option of a Post Office card account, which is just for benefits. This account does not offer overdrafts or the option of setting up standing orders. It comes with a card and a PIN number that has to be keyed in. But this account comes with its own problems. People who are able to live independently in the community will have to remember a PIN number to get their money, which many people with learning disabilities find impossible. Although PIN numbers are used with other kinds of accounts, traditional accounts usually offer a range of ways of getting money out.

Edinburgh Advocating Together and People First said

***People with visual impairments are faced with huge problems when keying in their numbers. Our members face problems such as remembering their PIN number and if they write it down they may not always keep it safe.***

It is also a complicated procedure to open a Post Office account. The Department of Work and Pensions sends a letter and form to the person who gets benefits. The person has to complete the form and send it back. They then get a letter of invitation to open an account, which they take to the Post Office. They then complete a second form that the Post Office sends away in order that the person can be sent their card. FAIR heard of one woman who had to complete the same form five times because her hand is unsteady and the form has to be scanned into a computer.

## Other things that have been done

Several national organisations, including Direct Payments Scotland, Enable and Mencap are aware of the problems that people have encountered because of the number of calls they have had. All have published practical guidance to try to take it further and have lobbied the government and the Scottish Executive about the matter.

In order to get some basic information about how people get access to bank accounts Enable sent a questionnaire to thirteen banks and building societies over a year ago. They asked about the banks' policies on social banking and what adjustments they make for disabled customers. The response was so poor that they have never been able to publish the results.

In 2002 the Employers' Forum on Disability produced ***It's your money: banks can help you.*** This was written with Swindon People First, an organisation of people with learning disabilities and explains in simple language how to use a bank account and how to sort out problems.

The Institute for Public Policy Research (ippr) and Citizen's Advice published a report in December 2003, ***Beyond bank accounts: full financial inclusion.*** The report concludes that current levels of financial exclusion undermine government attempts to meet social and welfare priorities. It says the complexity of modern financial products and increasing emphasis on individual responsibility could make matters worse. Speaking at the time the report was published David Harker, Chief Executive of Citizens Advice said, *The government's strategy for tackling financial exclusion has to look beyond providing basic bank accounts, important though this is. It must also be about improving people's confidence and skills in making financial decisions ... Financial exclusion makes poor people poorer. It sucks money out of low-income households, drives people into debt and traps many in poverty, limiting their life chances.*

## Conclusions

Most of the people with learning disabilities and many carers that we spoke to had experienced problems with accessing and using appropriate banking services and products.. Whilst many problems were usually resolved in the end, it appears that people with learning disabilities are generally treated less favourably than others at the outset.

***Many of our members spoke about the problems when using their local banks. These include getting access, communication problems, information that's difficult to understand***

Edinburgh Advocating Together and People First

Many of the practical problems that people with learning disabilities encounter can be overcome, as the case studies show. This can usually be achieved by shopping around or by talking or writing to managers or other senior staff. One carer told us, however, that she has had to deal with matters affecting her son's bank account on several occasions. She finds that everything works smoothly for a time, then there is a change of staff in the local branch or her son accepts a promotional offer and changes his account. In the past five years he has twice changed over a to premium account which attracts charges, but offered him nothing to his advantage. She has suggested that there should be some record of the fact that her son has learning disabilities on his account and she has asked to discuss the matter with people at a more senior level than the local branch. The bank seems unwilling or unable to follow up either of these suggestions.

### Recommendation 1

Banks and financial services providers to be encouraged to review the way that they provide their services, to ensure that they are not in breach of The Disability Discrimination Act.

### Recommendation 2

Banks and financial services providers should ensure that ALL staff have access to disability awareness training and work with local organisations to facilitate change and promote understanding.

Edinburgh Voluntary Organisations Forum for Services to People with Learning Disabilities should seek to work with the banks in Edinburgh to do this.

### Recommendation 3

Edinburgh Voluntary Organisations Forum for Services to People with Learning Disabilities should use its network to distribute copies of ***It's your money: banks can help you*** to people with learning disabilities in Edinburgh.

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Our research leads us to question whether the arrangements that have been put in place by some organisations that support people with learning disabilities are adequate to protect people from financial abuse.

#### **Recommendation 4**

Organisations need to have clear guidelines for any member of their staff who is closely involved in helping a person manage their money or is a signatory on a bank account of a client. Organisations should also ensure that staff have the confidence, knowledge and skills to help people manage a bank account.

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The government's initiatives to tackle financial exclusion do not take account of the support that someone with a learning disability needs to take responsibility for their own finances. Some people feel they are being forced to change from a system they can understand and manage (collecting cash from the Post Office) to one that they have problems with (opening a bank account). Several people with learning disabilities told us *Using a bank card is a very difficult thing to do, or I don't use my card. I just go into the branch to ask for money.*

#### **Recommendation 5**

The UK Government and the Scottish Executive should continually review policies for tackling financial exclusion to ensure that actions on the ground empower rather than disempower people with learning disabilities.

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Some people are refused a bank account because the bank judges that they do not have the capacity to open an account and require a Financial Guardianship Order, under the terms of The Adults with Incapacity (Scotland) Act 2000.

#### **Recommendation 6**

The Scottish Executive should review the operation of The Adults with Incapacity (Scotland) Act 2000. They should specifically look at how a person who is considered 'incapax' could maximise their independence by using advocates, supporters, help from carers, personal assistants or circles of support. (See also Appendix 2)

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#### **Recommendation 7**

Edinburgh Voluntary Organisations Forum for Services to People with Learning Disabilities and the Capital City Partnership should use their influence to raise these matters with City of Edinburgh Council and the Scottish Executive. They should also publicise this report to people with learning disabilities.

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The Forum has already arranged to publish the findings of this report in an easy to read format. They have also arranged for the distribution of *It's your money: banks can help you* to individuals and organisations in Edinburgh.

# Appendix 1

## The Organisations

### **FAIR (Family Advice and Information Resource)**

FAIR offers a free, confidential advice and information service to people with learning disabilities, their families, carers and supporters.

FAIR was set up in 1991 to assist people with learning disabilities and their families, carers and supporters. It has offices in Edinburgh, handling 2000 enquiries a year.

FAIR actively promotes information for people with learning disabilities and carers through a range of publications, including the FAIR Newsletter. They distribute 1740 Newsletters 11 times a year to readers in Edinburgh and the Lothians.

FAIR's work has been quoted as an example of good practice in *The Same As You?* (A review of services for people with learning disabilities, published by the Scottish Executive, May 2000) and cited as a centre of excellence by the Scottish Health Advisory Service.

### **Edinburgh Voluntary Organisations Council**

Edinburgh Voluntary Organisations' Council (EVOG) is the umbrella organisation for Edinburgh's voluntary sector. It is one of the 60 Councils of Voluntary Service (CVS) across Scotland. EVOG is an independent charitable organisation of long standing, and exists to support voluntary bodies to come together for common purpose. It provides services to voluntary sector organisations, and through the work of these organisations to the community of Edinburgh. It also supports the development of new and emerging groups and seeks to present the concerns and policies of the local voluntary sector to the community, local authority partnership groups and the Scottish Parliament.

### **The Capital City Partnership**

The Capital City Partnership is a partnership of key statutory, voluntary and community agencies in the city working together to promote social inclusion and achieve social justice for the people of Edinburgh.

It exists to find creative and sustainable solutions to overcome social exclusion and to promote joined up governance in the city.

The key challenges that they are working to overcome are in Jobs, Health, Housing, Learning and Community Safety.

## Appendix 2

# Review of The Operation Of The Adults With Incapacity (Scotland) Act 2000

Part of a submission made by Enable 9 February 2004 to the Scottish Executive's Justice 2 Committee

### Suggested changes

- The provisions in relation to access to funds should be extended to allow a withdrawer to access more than one account.
- There should be a simple procedure allowing someone to open and manage a designated account for an adult where there is no account in existence
- Organisations that provide home support services in de-registered homes should be able to manage residents' finances under Part 4 of the Act.

### Authority to Intromit with Funds – Part 3 of the Act

The Act introduced a system for third parties to access a bank account held in the name of someone incapable of operating the account themselves. This provides a fairly straightforward way of managing routine banking transactions without a court application. The Public Guardian is responsible for authorising and monitoring access.

ENABLE has experienced two specific difficulties in this area

#### ***1. Only one back account can be accessed at a time***

Many people now hold funds in more than one account. This may be particularly the case where someone has lost capacity later in life. The current system means someone authorised to access an account needs to exhaust the funds in that specific account before they can make a new application for a further account.

This second application obviously attracts a further fee, requires medical certificates etc. The only current alternatives are to either apply for an intervention order to merge accounts or become a financial guardianship. Both of these take time requiring a significant amount of preparation work and a court application. ENABLE suggest consideration is given to extending the withdrawers scheme to allow more than one account to be accessed and used for payments into a designated account.

## ***2. Many people with learning disabilities currently do not have a bank account***

There are many reasons why someone may not have a bank account. For example, they may be moving into the community from residential care or have previously had their finances dealt with by a parent. ENABLE are frequently asked about situations where banks and building societies have refused to open an account for a person with a learning disability. This normally occurs when there are some doubts about capacity. It creates significant problems because without an existing bank account there is no simple way to manage routine finances.

Again the only option would be to either apply for an Intervention Order to open an account followed by an application under Part 3 or apply for financial guardianship. ENABLE's experience is that this is an issue for a significant number of people and that a simple mechanism for opening an account should be introduced. For example, the provisions of Part 3 could be extended to allow the Public Guardian to authorise the setting up of an account in circumstances where there is no account in place.

### **Management of Finances – Part 4 of the Act**

These are the provisions that allow certain establishments to manage funds on behalf of their residents. Section 35 defines the types of establishment that can use these provisions. ENABLE feels there is a significant gap in the definition which is causing considerable confusion and difficulty. Many people now live in de-registered homes and receive home support and services from professional organisations such as ENABLE. Organisations providing services in these circumstances fall outside the definition in Section 35. In addition they are excluded from using the provisions in Part 3 on access to funds and in most cases it is inappropriate for them to consider financial guardianship. This means there is no effective way to assist people to manage their funds yet money management is an important strand of the home support required by the adult e.g. payment of bills and understanding a household budget.

In our experience families are increasingly being asked by care providers to become financial guardians. Family members are often reluctant to do so as they feel that assistance with finances should be given by the care provider. In addition financial guardianship is an onerous obligation and places a large level of responsibility on the guardian. ENABLE believes it is essential that the definition in Part 4 be extended to include those providing home support services in homes registered with the care commission.

#### **For more information contact:**

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Tel: 0141 226 4541

## Appendix 3

# Edinburgh's Financial Inclusion Strategy

In Edinburgh a two-year project to develop a City Wide Financial Inclusion Strategy is supported by a Financial Inclusion Office (FIO) based in Capital City Partnership (CCP).

The mission of the Edinburgh City Wide Financial Inclusion Strategy is to help people engage with the financial mainstream and promote opportunities for communities to overcome financial exclusion.

The Strategy aims to

- Create **Opportunities**
- Develop **Capacities**
- Promote **Partnerships**
- Influence organisational and individual **behaviours**
- Match services with local **needs**
- Promote **innovation**

The Strategy seeks to meet these ambitions through creating sustainable structures, alliances, networks and processes that support and promote financial inclusion across the city.

An Action Plan has been agreed that identifies key aims for the Strategy, these include the following:

- To identify the scale, nature and extent of financial exclusion across the city.
- To promote awareness and improved access to financial products and services.
- To enhance financial capabilities through financial education, awareness, literacy, training and skills development and supporting access to money advice, debt and budgeting services.
- To enhance income maximisation opportunities for those trapped in poverty, to support asset building initiatives that promote savings and wider asset accumulation.
- To support a city-wide framework for enterprise development and self employment (for profit and social enterprise) in disadvantaged communities and across the city.
- To promote the exchange of ideas, knowledge, information and best practice.