

Access to Banking Protocol

Access to banking

Banks are committed to supporting access to banking and financial inclusion in the community, aligning with HM Government's public policy objectives, by:

- offering an alternative way to bank that helps customers and small businesses to continue to bank locally; and
- rebuilding trust and confidence in the sector.

While ensuring that customers are treated fairly, decisions on branch closures are ultimately commercial decisions for banks to take.

Pre-closure assessment

Before the decision has been made to close a branch, a bank will undertake an internal analysis to understand:

- the potential impact on branch users; and
- the availability and suitability of alternative ways to bank for branch users who live locally or travel to use the branch.

Community engagement and impact assessment

After a bank has decided to close a branch and having first advised impacted branch staff, the bank will engage with other key local stakeholders (these may include the local authority, local business associations and local advice agencies). The purpose of the engagement will be to develop a further understanding of:

- the potential impact of the closure on the community
- the potential impact on branch users; and
- the availability of alternative ways to bank for branch users.

Issues considered during this engagement will include:

- the number of personal and small business branch users affected
- the age profile of branch users (i.e. both older and younger users)
- the number of vulnerable and other branch users who are more dependent on their branch than others (e.g. because they are disabled, older, digitally excluded and/ or lower income customers); and
- an analysis of potential future service users.

Publication of impact assessment

Banks will publish the results of their engagement and impact assessment, and the considerations taken into account in assessing the impact of the branch closure, subject to the removal of commercially sensitive information. The results will be made public before the closure of the branch.

Ensuring continued provision of alternative ways to bank

Where banks determine there is a continuing need for services, suitable alternative ways to bank will be put in place before the branch is closed. The nature of this alternative provision will be informed by the bank's impact assessment and the community engagement described above. Consideration will be given in particular to ensuring the continuity of small business relationship management (e.g. telephony, internet), and enabling branch users to check balances, make cash withdrawals, and make cash and cheque deposits.

In the consideration of alternative ways to bank, account will be had in particular to:

- Proximity to:
 - Alternative branch(es)
 - Free to use ATMs
 - Post Office branch(es), including their local capability and capacity
 - Nearer alternative bank's branch(es)
 - Alternative outlets (such as cash back / Pay Point retail outlets)
 - Credit union and community finance providers; and
- The availability of additional banking channels, such as:
 - Partnership arrangements with the Post Office
 - Telephone banking
 - Mobile banking
 - On-line banking; and

Banks will also take into account the local availability of broadband and access to alternative ways to bank for vulnerable customers.

The existence of an alternative bank's branch alone will not be considered an appropriate suitable alternative.

Communication arrangements

Banks will notify branch users by direct communication at least 12 weeks before a branch is moved or closed. In addition to providing notice of closure, the notice will also explain how the bank intends to continue to provide banking services and how alternative ways to bank will be provided. This includes providing micro-enterprise customers with information on any inter-bank agency agreements that exist.

If, following completion of the community engagement and impact assessment, the bank decides to modify the alternative provision, those modifications will also be communicated to branch users.

In particular, banks will consider the most appropriate communication channel(s) to use when notifying vulnerable branch users.

In all cases, a prominent notice will be displayed in the relevant branch.

In addition to direct communication with customers and information in the branch to be closed banks will use other channels to notify branch users, which might include:

- Notice in the local media
- Notice on the bank's website; or
- Other electronic banking channels used by the branch user.

Banks will ensure that staff at contact points for customer enquiries (e.g. relevant branches and call centres) will be trained to enable them to answer customer enquiries.

Banks will also engage at an early stage with the Post Office to coordinate communications, operational planning and use of brand.

Necessary exceptions

This Protocol relates to permanent closure, not temporary closures (e.g., due to branch refits).

This does not apply where branches merge and are close together or where a branch is relocated to a within walking distance, providing customers do not experience the following service reductions:

- all counter services in a branch are replaced with automated provision;
- branch opening hours are reduced by 30% or more (measured by reference to the branch's opening hours over the previous year); or
- access to a branch becomes restricted to a particular group or groups of customer(s).

This protocol also applies to branch agencies and firms should ensure that they are contractually bound to comply with them.

In exceptional circumstances, such as where there have been life-threatening raids, aspects of this protocol may be reduced or waived by the firm, although notification should still be given to customers.

Effective date

This protocol will apply to all bank branch closures announced after 1 May 2015. However, any existing plans for branch closures will be reviewed in the spirit of this protocol.

By 1 May 2015, the BBA will ask the Financial Conduct Authority to consider confirming this protocol as Approved Industry Guidance.

Post implementation review

BBA will engage with BIS, HMT and FCA when appointing an independent reviewer to carry out a "one year on" review of the operation of the protocol.

The review will consider the way banks have applied the protocol in practice, and the extent to which pre-closure assessment, community engagement and local impact assessments have informed the identification of suitable alternative ways to bank. The review will also seek to identify instances of best practice in the way in which the protocol has been implemented and may, if appropriate, make recommendations for the amendment of the protocol to ensure it continues to meet its objectives.

The review will include engagement with key stakeholders such as consumer and small business groups, and the banking sector, and will be published.

BBA may also undertake a review of this protocol as appropriate, in light of regulatory or legislative developments, such as following the results of the Competition Markets Authority retail banking market investigation, or if the Financial Conduct Authority confirms this protocol as Approved Industry Guidance. Such a review will also include engagement with key stakeholders such as consumer and small business groups, and the banking sector.

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