

Access to Banking Standard summary report published by the Lending Standards Board

The Access to Banking Standard aims to help minimise the impact of bank branch closures on customers and local communities. It is designed to ensure that customers affected by branch closures receive sufficient communication and clarity on the reasons for the closure and adequate support in accessing alternative banking services.

The Standard, overseen by the Lending Standards Board (LSB), applies once the decision to close a branch has been taken and therefore the role of the LSB does not extend to approving or commenting on the banks' decision to close branches.

This latest review carried out by the LSB, assessed proposals by seven firms to close 480 branches in 2018 and 513 branches in 2019. It included an assessment of the process for identifying impacted customers and dealing with potentially vulnerable customers, the adequacy of communications and notices prior to and during the closure process, and the availability of Impact Assessments for customers.

The LSB noted clear improvements made by firms since the first review in 2018. Noticeable developments included enhanced communications about branch closures, the use of insights from previous closure programmes and continued engagement with the Post Office. Since the last report, UK Finance has led on the development of a 5-point plan to raise awareness of banking services available through the Post Office.

The Report also notes two important industry-wide improvements. The first is an agreed definition, brokered by UK Finance, of what constitutes an impacted customer. The second is agreement that the LSB will define a small number of common key metrics to be used in Impact Assessments. Both initiatives will support greater consistency in application of the Standard.

The areas requiring improvement included the need for a more proactive strategy for engaging with potentially vulnerable customers as well as enhancing the level of information available post announcement and post closure to continually assist customers. As part of the review the LSB conducted a mystery shopping exercise, with 54 branches visited, to test the availability of the Impact Assessment for consumers. It was found that this was not always readily available and is a suggested improvement outlined in the report.

Improving customer outcomes through the implementation of the Standard remains a priority for the industry. The LSB found that there was a positive level of engagement from all firms' and action is already being taken to address recommendations made in the report. The LSB will continue to monitor activity in this area, working with firms and carrying out further independent assurance to ensure all actions are completed to a satisfactory level.

Notes to editors

- The Access to Banking Standard summary report can be found here: www.lendingstandardsboard.org.uk/resources/access-to-banking-standard-summary-report-february-2020/

- The previous Access to Banking Standard Summary report from September 2018 can be found here: www.lendingstandardsboard.org.uk/wp-content/uploads/2018/09/A2B-Summary-Report-1.pdf
- A list of firms signed up to the Standard can be found here: www.lendingstandardsboard.org.uk/other-voluntary-standards/#access-to-banking-standard
- The LSB's mission and strategy can be accessed here: www.lendingstandardsboard.org.uk/res-cat/lsb-mission-and-strategy/