

LSB Industry Guidance

Access to Banking Standard

March 2022

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This document has been produced by the Lending Standards Board (LSB) and provides non-exhaustive examples of the approach to Access to Banking that registered firms may wish to take into consideration when seeking to adhere to The Access to Banking Standard (the Standard).

Each signatory to the Standard must be able to demonstrate to the LSB that it is adhering to the requirements of the Standard; however, the LSB does not monitor compliance with the content of this document and as such, it is not intended to be prescriptive nor binding on firms.

The LSB acknowledges that each firm will have its own way of demonstrating that it is adhering to the Standard without the need to refer to, or take account of, the content of this document. The examples or suggestions provided within this guidance represent the LSB's view on good practice in relation to the application of the Standard, focusing on the desired outcome for both customers and stakeholders.

This document will be kept under review and will be updated on an ongoing basis as and when the LSB identifies further examples of the work which is being undertaken by the industry in this area.

For the purposes of this guidance, all impacted premises and services will be referred to as branch or branches.

In drafting this guidance, the LSB acknowledges the Financial Conduct Authority's (FCA) [Branch and ATM closures or conversions](#) Finalised Guidance and recognises how they complement each other and where the requirements differentiate in expectations, such as reduced opening hours. Therefore, when considering closing or altering services available to customers, firms should also refer to the FCA guidance. Firms may also want to consider the [good practice and areas for improvement](#) set out by the FCA.

Firms are encouraged to engage with the LSB regarding plans to review their branch network at an early stage in the process. Early engagement provides an opportunity for firms to clarify their understanding of the Standard and how that aligns with their intended approach. As a minimum, the LSB should be given an indication of a closure programme and overall numbers of branches affected at the point that the decision has been formally approved. This enables the LSB to ensure there is sufficient opportunity to provide timely feedback and assurance, to drive the delivery of good customer outcomes.

Overarching Principle

Customers and relevant stakeholders of a bank branch that is closing will be provided with clear, understandable, accessible documentation and information about that specific closure as soon as the bank is able to do so, also what it will mean for them and how they can continue to bank following its closure.

In applying the Standard, firms should make sure that information about a branch closure fully supports customers to understand the impact of a specific closure on them.

To achieve this, firms should ensure they take a broad view of the impact of a proposed change and ensure that, throughout the closure or when reducing hours, firms are sympathetic to the needs of customers accessing the relevant branch.

To provide a more detailed and customer focused perspective on pertinent matters firms should consider including local conditions such as broadband speeds, alternative local banking options and travel requirements to access an alternative branch. Firms should also consider specific facilities customers of the impacted branch currently use and whether there may be customers who will struggle to access those facilities following a closure.

This broad approach should be reflected in the work firms undertake when applying the Standard and should therefore ensure that all relevant and local issues are given due consideration during the closure process, and those considerations reflected within the customer and stakeholder communications.

Firms should also consider the needs of their customers, including any accessibility needs, to ensure any customer facing literature is designed to clearly illustrate key information while being reflective of the firm's house style. For example, infographics can help present data in a more simplistic and easier to read format, but care should be taken to ensure the design is compatible with screen readers.

1. The Scope

The Standard will apply to all branch closures (other than temporary closures, and those forced by significant unplanned external or emergency events), and branches where the opening hours are reduced by more than 30% over 1 year, and also applies to branch agencies and Banks should ensure they are contractually bound to comply with them.

When considering which closures fall within the scope of the Standard, firms should consider (in addition to the traditional ‘bricks and mortar’ style of branch), other styles of face to face banking facilities. These could include branches without a counter service, mobile branches with fixed routes and stops, and regular banking facilities and activities that are provided within other premises, such as in community branches or shared banking hubs.

Firms should also consider the extent to which other material changes may impact a customer’s ability to continue to bank, such as the following:

- branch relocations;
- temporary closures;
- branch mergers;
- mergers with another firm; and
- removal of a counter or automated service.

Firms should assess the impact of such changes on customers, particularly those who are considered vulnerable,¹ and should use such assessments as the basis for determining whether the change is significant enough to be treated in accordance with the Standard.

Where firms are reducing branch opening hours by more than 30%, firms must apply the Standard in full.

Where firms are reducing branch opening hours significantly, are changing from temporary hours to new permanent opening hours, or are introducing a further reduction in opening hours following reductions in previous years, firms should consider the overall impact of these changes on personal and business customers to help inform the decision on whether the changes should be treated in accordance with the Standard.

Significant changes in opening hours that should also be considered may include changes that will see branches close on weekends, close during weekday lunchtimes, or close earlier on weekdays. These changes may significantly reduce the ability of customers to visit the branch at a time that is suitable for them.

Any changes that may require customers to move their banking to another of the firm’s branches which is a mile or more away, changes that are expected to take longer than 12

¹ FCA definition: A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.

weeks to complete, or changes that may require customers to make use of alternative banking services provided by third parties, such as Post Offices or banking hubs, are likely fall in-scope of the Standard.

Good Practice: Firms consider the potential impact on customers of all changes to opening hours that reduce customers access to branch banking services and inform the LSB of any significant branch changes, even where the firm's assessment has identified that the closure or changes do not fall within the scope of the Standard.

The banking industry has faced significant challenge during throughout the coronavirus pandemic. Firms have implemented measures to protect both customers and employees from the spread of the virus and have reviewed operational hours. There has also been the need to consider the longer-term impacts and, to support firms in their considerations, the LSB circulated Coronavirus Guidance in July 2020 to all signatory firms (see Appendix B for further details).

2. Initial Announcement of Closure

Banks will communicate their decisions in at least two parts to customers (personal and business) as set out below:

a) Initial Announcement of Closure - Banks will

- *Inform its customers and stakeholders of the decision to close a branch as soon as the bank is operationally ready to do so. This will be at a minimum 12 weeks before the closure.*
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Customers

Under the Standard, the LSB considers the term ‘customers’ to include both personal and business customers.

When considering the definition of an ‘impacted customer’ firms should use the following as a minimum, as defined by UK Finance, to ensure the initial announcement is communicated appropriately:

Any customer who undertakes three monetary transactions within the impacted branch on three separate occasions in the preceding six months are in scope of the Standard and therefore should receive 12 weeks’ notice of the change.

Firms should consider whether customers would benefit from them adopting a broader definition of an impacted customer as this may provide wider coverage of notification and support. Doing so is likely to improve outcomes for customers who use services less frequently or who use the branch for non-transactional services and may still be at risk from a specific branch closure. In particular, firms may want to consider:

- customers who have a known, or most likely to be at risk of, vulnerability;
- customers who have used services at a branch other than making a monetary transaction;
- customers who have used the branch less frequently than three times in the previous six months; and
- customers who have previously used the branch services and who live locally to the branch.

Area for consideration: Firms use a broader definition than the minimum ‘impacted customer’ definition when assessing the impact of a branch closure, or change within the scope of the Standard, and determining which customers would benefit from information and

support. This might, for instance, see firms notify and assess the impact of a closure on customers who use branches less frequently than three occasions in the previous six months.

Firms should also take into consideration the impacts of any significant events or disruption upon the branch in determining who should be notified.

The initial announcement of a closure should enable customers to understand when the change will take effect, the reason for it and how the customer can access further information, including a copy of the Impact Assessment (IA). The clearer and more informative the notifications are, the more reassuring they will be for the reader, as potential concerns are more likely to be addressed. Examples of additional information firms may wish to include in the notification letters are as follows:

- confirmation that the firm is a signatory of the Standard;
- confirmation that the firm will be undertaking community engagement;
- details of when the further information will be published and how it can be accessed²;
- the impact the change will have to customers' account details or confirmation that there is no impact;
- a summary of information about all the alternative banking options available to the firm's customers, including those provided through third parties, such as how they can be accessed and details of the location of relevant services;
- any other information required by customers to enable them to consider the impact of the closure on their ability to continue to access banking facilities; and
- where and how customers can access further assistance and support with alternative banking options or raise concerns.

All the information captured within the notification letter should be relevant to the impacted branch. In addition to the above, there may also be other branch specific information that customers need to be aware of such as safe box arrangements and where that service is offered.

If, after announcement, the closure is paused, the date changed or plans are cancelled, firms should ensure that customers are provided with clear information about the change as soon as is practical. This communication should, as a minimum, use the same channels that were used to provide the initial notice of the closure and clearly articulate the details, so customers can consider the impacts to them. It may be necessary to issue multiple communications as plans develop to ensure customers are kept informed.

²Banks will provide further information that will communicate clearly and simply with all customers and stakeholders when appropriate (see section 3 'Post announcement and Pre-Closure' for further information).

It may not always be appropriate to restart a closure programme from the point it was paused. For instance, where the closure programme is paused for a significant period of time without a new closure date being announced, it may be more appropriate to provide customers with a full 12 weeks' notice again as they will not have been able to plan for the changes and their circumstances may have changed in the interim. The impact of the elapsed period should be considered and where needed, documentation refreshed to account for material changes that may have taken place in the intervening period and engagement plans revisited. In terms of the engagement activity, it may be necessary to reconnect with customers and stakeholders to ensure the objectives of the initial communications strategy have been fulfilled.

Good practice: As well as taking account of any accessibility needs that the customers may have, firms tailor initial notifications of planned branch closures to specific customer groups such as business customers or those considered vulnerable. Additional messaging can provide those groups with information relevant to their circumstances and needs, or to let them know that they will be contacted by the firm during the notice period to discuss their situation.

To align with customers' communication preferences and any accessibility needs, firms may choose to provide the notification by email or other digital means. In this instance steps should be taken to ensure the notification has been received and accessed, with sufficient opportunity to resend the notification by an alternative means, if needed, whilst ensuring the 12 weeks' notice requirements are met.

Good practice: As well as direct communications with impacted customers, firms may wish to consider utilising other mechanisms to raise awareness of the change such as via the firm's website, linked to the branch locator, for example with a hyperlink to access further information.

Area for consideration: Alongside issuing notifications to impacted customers, in order to ensure vulnerable customers are aware of closures, firms could implement engagement strategies that include contacting customers via telephone, or other appropriate means, to inform them of the planned closures. This may be aligned with the firm's overall strategy to engage with vulnerable customers and enables staff to have early conversations with customers about the impact of the closure of their branch and any support that they may need.

Stakeholders

Stakeholders can be defined as *'any non-customer individual or body that has an interest in the branch closure and how it will impact customers and the wider community'*. Firms should extend the notification to all individuals and organisations that they feel are connected to the local community and provide bespoke support in some shape or form. Examples of

stakeholders can be found in Appendix A. As agreed by the industry, LINK³ should be notified of any decisions to close a branch, where this involves the removal of an external ATM, at the same time as notifications are issued to customers and other stakeholders. This will assist LINK in considering the availability of free to use ATMs during any review of the LINK machine networks.

As with customers, firms should look to provide notifications to stakeholders to enable them to understand the key impacts such as when the change will take effect, the reason for the change and how they and customers can access further information, including a copy of the IA. Firms may wish to tailor the message to the specific interests of the stakeholder, capturing the following information:

- confirmation that the firm is a signatory of the Standard;
- where and how stakeholders can access further information or raise concerns;
- confirmation that their views and feedback will be reviewed and considered;
- details of when the further information will be published and how it can be accessed; and
- a summary of all the alternative banking options, including the location, where relevant, and any other information required to enable the stakeholder to consider the impact of the change to the customer and local community. For example, whether the customer will need to modify their account access arrangements, request stationary to enable them to transact at their local Post Office or the accessibility considerations at the alternative branch.

Informing political stakeholders of the decision prior to issuing customer notifications, on a confidential basis, will enable them to be prepared should they receive contact from their constituents.

³ <https://www.link.co.uk/>

- *publish at the time of the announcement an Impact Assessment and make all customers aware of its availability together with any other documentation and information that will allow the customer to understand:*
 - *the bank's procedure for deciding to close a branch.*
 - *the main reason for the closure of that branch and, while maintaining commercial confidentiality where appropriate, what information was used to make that decision.*
 - *how the bank defines the terms it uses in its Impact Assessment.*
 - *The banks assessment of the impact of the closure on customers.*
 - *the date of the closure.*
 - *what the alternatives are, how they can be accessed, and what the bank will do to help or assist with all or each of those.*
-

Publication of the Impact Assessment (IA)

Customers and stakeholders should be able to easily obtain key information in respect of the closure, therefore the mechanism for making the Impact Assessment available should be robust and clear.

To achieve this, online IAs should be published in an area of the website that can be easily and intuitively located, as well as being signposted in notification letters. Firms may also wish to include details of how a printed copy of the IA can be accessed, such as within the impacted branch, neighbouring branches or via a telephone request and that modified versions of the document are available for customers with visual impairments.

Good practice: Printed copies of the IA placed in public areas of the branch enables ease of access to the document for visiting customers. Firms may also wish to extend the places where printed copies can be obtained from, such as community spaces and libraries.

Good practice: The use of materials such as in branch posters is an additional effective means of highlighting the changes and can act as a prompt for customers at an appropriate time. Posters in local community buildings will extend the reach of the notifications within the wider community for customers and stakeholders. These could include details of further support and how it can be accessed.

The content of the Impact Assessment

The information provided within the IA should be specific to the impacted branch so the reader is able to understand what was considered in reaching the decision, the period over which the information relates to, how they will be impacted and what the alternative options are for continuing to bank. The information provided should be laid out in a clear and logical manner. Infographics can help the reader to understand complex data more easily, whilst helping to break up text heavy information into more manageable chunks.

The bank's procedure for deciding to close a branch

Firms should provide details of their general approach to completing a review of the branch network, which could include the frequency or reasons for the review, the specific considerations that were taken into account and reference to the governance arrangements that provide a mechanism for robust challenge and review of any recommendations. This detail will help customers and stakeholders to understand that decisions to reduce or close a branch are given careful and thorough consideration.

The main reason for the closure of that branch and, while maintaining commercial confidentiality where appropriate, what information was used to make that decision

Details of the main reasons for the closure and the information that was used to reach the decision will enable customers to understand the rationale for the closure, helping them transition to the new banking options with more confidence. To ensure that the information is clear and relevant to the impacted branch, firms should avoid use of generic statements and instead capture factual details which consider the following, where relevant:

- the main reasons should be specific to the impacted branch, including any data and information, unless it is being used for comparison purposes;
- the outputs of data analysis should include the parameters that were used, such as the period of the data extract;
- details of any comparison information that was considered, either internal or external, should be referenced or signposted; and
- information in respect of distances for accessing alternative banking facilities should include clarification of how that distance was calculated.

How the bank defines the terms it uses in its Impact Assessment

The IA (and other customer communications) should be written in plain language using terminology that can be easily understood by all customers. However, given the nature of the information which is being provided, it is recognised that there may be some terms or statements that would benefit from further definition to ensure clarity for all readers and provide consistency across the industry. The definition of any key terms, explanations, or industry terminology should be captured within a table or glossary, which is referenced within the body of the IA where relevant. The content of the glossary will be reflective of the firm's own language and style of communications but should contain sufficient detail to ensure that customers and stakeholders can understand the details.

As a minimum, the definitions of terms should include the following:

- counter transaction or transaction;
- branch facilities or services;
- digital;
- footfall;
- every day banking;

- customer demographics;
- products; and
- the FCA's definition of who might be considered a 'vulnerable' customer.

Examples of other terms which may be included are:

- how distances to alternative branches were calculated or measured and a definition of 'nearby' when referring to alternative banking options;
- the purpose of the Access to Banking Standard;
- details of the stakeholders that have been engaged;
- information about the Lending Standards Board and its oversight; and
- the range of services available at the alternative branch, bank hub, or Post Office in comparison to the impacted branch.

The above is not an exhaustive list and some of the examples may not be relevant or may have been sufficiently explained within the body of the IA. Firms should review the IA from a 'laypersons' perspective to determine what should be captured within the glossary.

The banks assessment of the impact of the closure on customers

The closure of the branch will impact the way the customer is able to continue to meet their banking needs.

Firms should clearly set out these impacts to enable customers to fully consider the suitability of the proposed alternative banking service provisions in terms of their needs and circumstances. Therefore, the more information that can be provided the easier it will be for customers to understand the impacts and relate them to their personal situation. Examples of information that may be captured include:

- the location of the nearest or most appropriate branch. The rationale for highlighting a branch which is not the closest should also be captured, where relevant;
- the distance to that branch and how it was determined, such as by road or on foot;
- how that branch can be accessed and if there is public transport available and how long the journey would take;
- whether there is parking available and if it is free;
- if there is step free access to the alternative branch and details of any other accessible services;
- the banking facilities that are available at the alternative branch; and
- the opening hours of that branch.

The above list is non-exhaustive and will vary depending on the specific circumstances of the closure, however a customer focused approach to the presentation of relevant information will enable fuller consideration of pertinent matters. For example, knowing the distance from one branch location to the other is useful, but knowing how long that journey would take via

various different options such as on foot, by car and using public transport provides a more informative view of the impacts for customers and stakeholders.

The date of the closure

The closure date should be clearly and prominently displayed on the IA. Extenuating circumstances may mean that this date has to be revised. Where this is the case firms should ensure impacted customers and stakeholders are informed of the change, with an appropriate level of notice, as soon as practicable. The communications may need to be provided in a number of parts where the specific details are not known at the outset, so as to ensure customers are kept informed.

What the alternatives are, how they can be accessed, and what the bank will do to help or assist with all or each of those

Firms should ensure that the alternative options are set out with sufficient details for the customer to understand what the option is, how it can be accessed and any specific considerations or support needs.

The alternative options for customers to continue to bank should include details of how each option is accessed. These may include the following (non-exhaustive) list:

- free to use ATMs, including those of competitors;
- telephone banking;
- digital banking (mobile and online);
- mobile branch;
- the Post Office;
- shared banking hubs; and
- Paypoint services.

The firm should also include details of the services that are available via each option so customers can make an informed choice about which are most suited to their needs. For example, the range of services available at the Post Office may vary from location to location, therefore customers will need to know which services can be accessed from their local Post Office and any additional requirements, such as paying in slips, which may be needed. This is also an opportunity for customers to consider the features that are available via other channels, such as digital channels, and the benefits in terms of enhanced visibility of their account.

Alongside the provision of information regarding alternative banking options, firms should also support customers wishing to access them. This support will be reflective of the customer's needs with a view to helping build their knowledge and confidence in the alternative options. For example, customers who have always transacted over the counter may not be familiar with how to use ATMs to pay in and withdraw cash. Firms should be

mindful that the suitability of the alternative option may depend on the customer's circumstances, for example, the ability to support specific types of services such as Power of Attorney via a digital channel.

At the time of the announcement firms should have a defined approach for customers wishing to access further information and guidance on the alternative options. This support should be readily accessible for all those who require it and signposted within relevant literature and online.

Good practice: Dedicated closure specialists in branches or via contact centres enables customers to access further information more easily and provides the firm with an opportunity to closely monitor the landscape, gather feedback and consider any additional needs or issues that may come to light which can be used to refine processes.

- ***The banks will identify which other bodies, and organisations, that may be affected by the closure of the branch and provide them with documentation and information that will allow them to understand:***
 - ***the clear reason for the closure of that branch and what information was used to make that decision.***
 - ***how the bank defines the terms it uses in its decision-making process.***
 - ***the date of the closure.***
 - ***how they can contact the bank to discuss the issues they have and meet with them if that is the most appropriate way to do so.***
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While other bodies and organisations affected by the closure will vary according to the location of the impacted branch, firms should consider the role the branch plays within the community when deciding who should be informed of the closure. Capturing a wide range of stakeholders will help extend the reach of the consultation process. A non-exhaustive list of potential stakeholders can be found in Appendix A.

Firms should ensure their stakeholder communications detail how to engage with them to raise any issues or concerns. Where feedback is provided this will help inform the firm's considerations in respect of the impact of the closure, highlighting matters that might not have previously been identified and provide further opportunity to ensure the closure programme has fully considered and addressed any material issues.

Posing questions as part of the engagement process may help to elicit feedback on specific impacts, such as in respect of the local community, as stakeholders are prompted to consider the details which can help to inform the firm's activities in supporting their customers through the closure programme.

The timing of the engagement should be such that it allows for any resulting actions to be taken and consideration of any impacts upon requirement within the Standard to provide further information post announcement and pre closure.

Good practice: Some stakeholders may have a more integral role in the way in which customers will continue to access banking facilities after the branch has closed. Therefore, consideration of any specific needs in respect of such stakeholders will help to smooth the transition away from the branch.

For example, the local Post Office will need to understand the impact of the closure upon its services and the ability to support the anticipated increased demand. The Post Office may need to consider changes to its own processes and procedures in light of services it will be providing on behalf of the firm. Therefore, the level of engagement in this instance may need to be more detailed and over a longer period than would be required for other stakeholders.

This does not preclude firms from also engaging with such stakeholders at a holistic level, where needed, such as if the closure programme impacts multiple branches over a wider geographical area.

3. Post Announcement and Pre-Closure

Banks will provide further information that will:

- *Communicate clearly and simply with all customers and stakeholders when appropriate so they understand*
 - *where and from whom they can obtain assistance on any specific issues or concerns they may have.*
 - *what were the issues that stakeholders raised and what has been the outcome of each?*
 - *how and where they can raise questions which they feel have not been addressed.*
 - *how the banks can provide help and assistance after closure.*

The provision of further information can act as reminder for customers prompting them to engage with their firm if they have queries or for example have additional support needs. It is therefore important that the above points are clearly set out within the communication, even if this has already been provided within previous communications or in the IA.

Good practice: Issuing reminders of the closure or reduction in branch hours, during the notice period, can be helpful for customers. Particularly where the activity is supported with analysis around any areas of risk, such as low take up of digital services or if the notice period extends beyond 12 weeks. This reminder can be a separate communication or combined with the requirement to provide further information.

As a minimum, firms should utilise the same publication methods for this further information as was used for the IA, but firms may also wish to consider extending the publication methods and locations, where this is considered appropriate.

The provision of information in respect of issues raised by stakeholders and the outcome of each should be clearly articulated and be specific to the impacted branch, along with the resulting action or update. This will enable impacted customers to understand the outcome in respect of matters that may affect them.

Good practice: Providing an overview of issues and concerns raised by customers provides a greater level of transparency around those issues and enables firms to clarify the measures taken to address them helping to keep other impacted customers up to date.

The timing of the publication of the further information will need to: account for the amount of time needed to engage with stakeholders; identify any remediation; and enable sufficient opportunity for the customers and stakeholders to take any action that may be required.

Good practice: Publication of the date that the firm intends to circulate this further information should be included within earlier communications to assist customers and stakeholders in knowing when they will be able to have access to the details.

- *Consider which individual may be vulnerable or require additional assistance and proactively contact them to find out if they require any further help or assistance.*
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Firms should have a clear strategy in place with respect to identifying and proactively engaging with all impacted vulnerable customers.

A vulnerable consumer is: ‘someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care’. The FCA has identified 4 key drivers which may increase the risk of vulnerability, which are:

- Health – health conditions or illnesses that affect the ability to carry out day-to-day tasks.
- Life events – major life events such as bereavement, job loss or relationship breakdown.
- Resilience – low ability to withstand financial or emotional shocks.
- Capability – low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy, or digital skills.

The definition of vulnerable customers in this instance should be broad enough to capture all customers who are reliant on the branch for some or all of their banking needs. Their reliance could be due to physical or non-physical needs, their personal circumstances and the availability of specific services or support within that branch. For example, lack of digital skills or the need for personal reassurance relating to large or emotional financial decisions, such as bereavement.

The proactive engagement strategy should encompass all identified vulnerable customers, so that the focus of the activity is not just in relation to those that happen to visit the branch. The activity should be aligned to the closure programme timescales so there is sufficient opportunity to enable a robust contact strategy to be implemented. Contact methods should consider customer contact preferences and alternative options where a telephone number, for example, is not available.

Appropriately skilled and knowledgeable staff will be able to assist the customer with their needs in line the firm’s usual approach to supporting vulnerable customers with the added nuance of any closure specific considerations and actions. This will ensure that the assistance provided addresses not only the immediate needs in respect of the closure but also considers any wider needs, in line with policies and procedures designed to support the customer for the duration of their relationship with the firm.

Controls and oversight of this activity will enable the firm to track the progress in terms of the pace and quality, as well as any trends or themes that may be worthy of fuller consideration in respect of any wider impacts to the closure programme. Contingency planning will enable firms to ensure the activity is completed within appropriate timescales, utilising additional resources where necessary.

Good practice: Linking the vulnerability activity to the firm's wider programme of work in this area will enable customers to receive support at a holistic level, and not just in respect of the closure.

For example, the firm may be running a campaign focused on fraud within the digital space for all customers, but this may be particularly pertinent to vulnerable customers within closing branches, especially if they are transitioning to a new channel or a new way of banking. Linking such campaigns to the closure programme activity will ensure key messages are aligned and focused on delivery of good customer outcomes.

Area for consideration: Firms should seek to engage with customers most at risk in multiple ways, including through proactive phone calls, written confirmation of closure details and support available, and in-person training and support at branches or suitable nearby locations. Engagement strategies should be tailored to and reflect the needs of customers at each branch.

Banks will take action and support customers to:

- *be aware of and understand each of the alternatives offered by the bank and others who offer a service to the bank.*
- *understand what those alternatives provide in terms of service and functionality.*
- *know how and where they can obtain further information, help and assistance in deciding how they might use or access them.*
- *know how and where they can discuss concerns and issues they have with the closure and what it means for them.*
- *know that the personnel they are speaking to at the bank have the skills and competencies to deal effectively with the issues and concerns they raise.*

As well as listing the alternative options for banking within the IA, firms should also ensure customers can make an informed decision about the suitability of those options for their needs and circumstances. Firms may choose to do this in several ways, with varying levels of engagement depending on the complexity of the option and the needs of the customer.

Detailed information about the alternative options should be presented in clear and simple language, online or within the IA, for access by customers at their leisure. Online information (in an easily identifiable location) can include demonstrations and hyperlinks to further information, such as an FAQs section. Information presented in this manner can be revisited as many times as needed by the customer. It would be helpful to ensure information and support is tailored to a range of customer needs, considering, for example, business customers who may need to access cash services.

Good practice: While some customers will be able to continue to access a firm’s banking services either online or at an alternative location, there will be customers who would likely benefit from understanding how to access in-person banking services provided by third parties. After the closure has been announced, firms should consider how best to raise awareness of these services, such as Post Office Everyday Banking services and shops offering cash-back without purchase. This may, for example, include dedicated communications that set out how to access and use local third-party services.

Interactive training provides an opportunity to present information in a bespoke manner, enabling customers to ask questions to help clarify their understanding. This can include practical demonstrations and exercises to help embed the information. However, the timing of such sessions would need to be considerate of demand and resources that would be needed. Drop-in sessions or pre-booked appointments can help with the management of time and resources.

Good practice: As well as considering customers’ information and training needs, the way that the information is disseminated can help to extend its’ reach. Literature can be displayed in local community buildings, such as libraries and community centres, and drop-in or training

sessions can be held at alternative venues which may be more appropriate for particular cohorts of customers (such as in care homes, business and commerce centres, or colleges and universities for students).

In all instances the effectiveness of this activity relies on having suitably trained and knowledgeable staff within impacted branches and the wider staff population, particularly if they are likely to encounter customer enquiries and or complaints. This will help ensure customers are assured that the staff are skilled and knowledgeable whilst also having the ability to address their queries or concerns. The training needs should be aligned to the closure programme in terms of content and timing, to ensure that there is sufficient emphasis on the importance of engaging with customers during the notice period.

Staff in impacted branches can, in particular, help provide key information based on their local knowledge, tailored to the differing needs of customers that are using the branch regularly. For instance, business customers who visit an impacted branch to withdraw or deposit cash and cheques, may benefit from being informed about where alternatives services may be available in the future.

Controls such as knowledge checks and ongoing monitoring provide assurance that staff competence remains at the required level, with additional support provided as required such as during critical times, for example at the start and end of the notice periods when there may be increased levels of customer enquiries.

Banks will ensure that Stakeholders where appropriate:

- ***understand clearly what it is that the bank will do to provide any mitigation in relation to the closure and how that could be put in place.***
- ***clearly understand what they need to do and with whom to discuss and implement any form of mitigation offered.***
- ***know that the personnel they are speaking to at the bank have the authority and competencies to deal with the mitigation issues that they wish to address.***

Issues raised by stakeholders generally reflect the closure impacts at a holistic level. It is therefore important that the firm takes the opportunity to consider the detail of that feedback as it may be new information that has not been previously raised or considered. The output of the firm’s deliberations and any mitigation will help to assure stakeholders that their concerns have been taken seriously and that the firm is committed to ensuring their concerns are addressed.

Mitigation plans should be aligned to the closure timelines, with check points and controls to ensure the activity is on track, feedback has been considered and will remediate the issue or concern raised (where relevant).

Firms should ensure that, throughout the closure programme, relevant staff receive appropriate levels of information and training to ensure they are able to deal effectively with any issues or concerns that may arise. A single point of contact for stakeholders may assist firms with maintaining a holistic view of matters that are raised and provide a consistent approach.

4. Post Closure

Banks will:

- *ensure that there remains help and assistance and skilled and competent personnel available to help customers who continue to require assistance.*

Banks will ensure that customers:

- *are aware that the bank is willing to help them to continue to bank.*
- *are aware of and understand how and where they obtain continuance of the help and assistance they received post closure should they still require it, and how they access help or assistance on any issues or concerns that arise post closure.*

Banks will ensure that Stakeholders where appropriate:

- *are aware that the bank is willing to continue to engage with them.*
- *are aware of how and who they continue to progress any mitigation issues that are still to be resolved, and how and who they should contact should any other issues or concerns arise post closure.*

It is acknowledged that the levels of enquiries from customers and stakeholders may naturally decline during the notice period as time progresses, however firms should still ensure that there are clear routes for customers and stakeholders to continue to access assistance after the branch has closed, utilising the various communication channels it has at its disposal. This will give customers the confidence of knowing that they are able to access advice and guidance beyond the closure of their branch. Stakeholders also need to be assured that the issues they have raised will continue to be addressed and that they have a dedicated point of contact for any subsequent issues that may arise.

Good practice: Maintaining a presence in the community after the closure of a branch will enable customers and the wider community to continue to access information and guidance on a range of firm related matters at a local level and support the community during the transition to alternative banking services. The level and period of support should be aligned to the needs of the community and how customers can continue to meet their banking needs.

Area for consideration: Contacting customers who were identified as vulnerable during the closure process to ensure that any support that was offered has been effective in enabling the customer to continue accessing their banking services or to determine if it would be appropriate to offer customer further assistance.

5. Governance and oversight

Our expectation is that firms should have adequate governance controls and oversight in place to enable adherence to the Standard and delivery of fair customer outcomes in relation to the requirements contained therein.

An effective risk management approach will ensure that:

- All external communications meet minimum requirements.
- The firm's communication strategy is clear, timely and considerate of the range of customers and stakeholders' needs (including consideration of the FCA's [Branch and ATM closures or conversions](#) guidance).
- The firm's employees are adequately trained and skilled to provide the requisite levels of information and support in line with the Standard.
- There are appropriate controls and monitoring to ensure the achievement of fair customer outcomes under the Standard.

Firms should have sufficiently robust oversight processes in place to provide assurance that the requirements of the Standard are being met. This is particularly important in areas which have the greatest customer impact such as the quality and provision of customer facing documentation, customer engagement and, the identification and proactive assistance provided to vulnerable customers or those with additional support needs.

In the event of a closure decision being impacted by any new material events or information coming to light, firms should have mechanisms in place to ensure any adjustments to the programme are managed appropriately. A mix of reactive and proactive information sources can provide a dynamic view of the local landscape, highlighting any changes such as competitor closure announcements, major incidents which may impact the local community or stakeholder and customer feedback highlighting an issue which was previously unknown. These can then be reviewed against the initial decisions and any further actions that may need to be considered.

There should be good visibility of the closure programme at all levels and stages so that internal stakeholders and senior management can provide effective oversight of the programme. Firms should have systems in place to ensure that any failure to adhere to the Standard is identified and assessed for materiality and root cause. Where the materiality threshold is met, internal processes should include a mechanism for notification to the LSB together with timely remediation.

Good practice: Post closure programme reviews which capture the full extent of the closure programme, including staff training and support, customer and stakeholder feedback and complaints will help to identify areas for improvement should the firm embark upon further closure programmes in the future.

6. Appendix A – Stakeholders

<i>Stakeholder</i>	<i>Notes</i>
LINK	Notification of any decisions to close a branch, where this involves the removal of an external ATM, to be provided at the same time as notifications are issued to customers and other stakeholders – effective February 2020.
Members of Parliament for the UK	
Local councillors	
Council leaders	
Parish Councils	
Post Office – local and national level	
The Chamber of Commerce or Trade	
Federation of Small Businesses	
Local libraries	
Charities linked to vulnerable customers	
Age UK	
Alzheimer's Society	
Citizens Advice	
Community Money Advice	
Royal National Institute of Blind People	

7. Appendix B – The Access to Banking Standard – Coronavirus Guidance Document

Issued 03 July 2020

Introduction

Though Banks and Building Societies ('Banks') have not been impacted by the opening restrictions as directly as other retail institutions, they are at the forefront of public attention, as they sit at the heart of the economy and provide a source of funding to customers and small businesses.

Banks are considered part of the 'essential business' category, meaning they have not been required to close, however, many firms have put measures in place to protect both customers and employees from the spread of coronavirus.

Examples of these measures include - reducing branch opening hours, undertaking temporary branch closures, and promoting alternative banking options such as online banking.

The Access to Banking Standard (the Standard): Overarching Principle

Customers and relevant stakeholders of a bank branch that is closing will be provided with clear, understandable, accessible documentation and information about that specific closure as soon as the bank is able to do so, also what it will mean for them and how they can continue to bank following its closure.

This document aims to provide Banks with additional guidance to firms implementing temporary coronavirus measures (such as temporary branch closures or a reduction in opening hours), which if they turned into a permanent situation in a short period of time, may result in non-adherence to the Standard requirements. A number of 'matters for consideration' have been highlighted but we would state this list is non-exhaustive.

Banks should treat any such permanent closures or reduction in hours in the 'spirit' of the Standard, even though all the requirements may not be met, to ensure there is not any widespread detrimental impact on customer outcomes.

The examples below can apply to any of the three stages of the Standard, namely the:

- Initial Announcement of Closure;
- Post Announcement and Pre-Closure; and
- Post Closure.

Branch Closures

The coronavirus crisis has seen many temporary branch closures throughout the country, including all mobile branches. However, as the banking industry slowly returns to business as usual (potentially under a ‘new normal’), Banks may, for commercial and operational reasons, see some of these temporary closures become permanent.

Communications: Where such closures do become permanent, Banks still need to ensure that customers and other stakeholders are notified of the decision in a timely manner, whilst acknowledging (in some situations) the minimum 12 weeks’ notice is unlikely to be relevant.

As soon as practicably possible Banks therefore need to contact customers to advise of the permanent closure and make available to all impacted customers (plus other bodies and organisations), an Impact Assessment detailing the requirements set out in the in the [Standard](#). They also need to ensure that the information is provided in a **clear, understandable, and easily accessible way**, which is **key** given the current situation, particularly with regards to:

- *What the banking alternatives are, how they can be accessed, and what the bank will do to help or assist with all or each of those.*

Some Banks have moved elements of their in-branch counter services (for example, the ability to open a new account or handle a bereavement request) to telephony channels to limit the need for customers to visit branches and help manage resource constraints. Furthermore, there are also some provisions which cannot be serviced using an ATM, therefore Banks need to assess all of their ‘business as usual’ in-branch services which could be impacted to ensure that customers have alternative options to deal with their banking needs.

Branch closures may also impact on the availability of ATM facilities and therefore Banks should consider contacting LINK as soon as possible, to enable them to assess whether there remains sufficient access to cash within a local community and to help determine any other action(s) which may subsequently be needed. Banks could use this contact as a method to understand whether there are any planned ATM closures as a result of any other planned (external) Bank branch closures (with consideration then given as to whether this should be captured within Impact Assessments).

Management Information (MI): Banks should have effective MI in place in respect of any temporary to permanent closures from an early stage, thus ensuring robust governance and oversight controls are in place to assist with meeting obligations under the Standard. Key internal stakeholders can then be informed at the earliest opportunity, prior to the Bank publicising any closures to their customer base.

Matters for Consideration

- **Communication:** Banks should consider all methods of communication to inform customers (and other bodies/stakeholders) of the closure – with relevant information and Impact Assessments ('IAs') provided in a coronavirus safe manner. This may include issuing communications by post and/or email, via updated branch window posters, in local community centres and IAs being placed in an **easily identifiable location** on the Bank website.
- **Impact Assessments:** Should signpost contact details of the nearest alternative branch and include the telephone number, email, and postal address where customers (and stakeholders) can raise any questions or complaints (to be considered during the closure process). All other aspects of the IA should remain including a clear reason for closure and the impact on customers.
- **Reduction in opening hours by 30% or more:** Where opening hours have been restricted due to the pandemic (with some Banks having to cut weekend opening entirely), should these situations result in a permanent reduction in hours of 30% or more, Banks should ensure this is clearly communicated in line with the Standard, using the most appropriate communication channel for their customer base.
- **Alternate Banking Options:** Coronavirus has highlighted the need for Banks to find ways of providing alternative options to access services for their customers, some of which could be retained following the permanent closure of a branch. Given the unusual circumstances with a temporary to permanent closure there is a reduced opportunity to discuss these alternatives with customers in branch. Banks may consider including some of the following information within the communications or IA documents. Alternatively, firms may consider a targeted telephone campaign to assist customers. **Suggested information could include:**
 - Encouraging customers to use online and mobile banking (with 'How to' user guides created for customers who may not be accustomed to using digital services).
 - Forming links with the local Post Office to help those customers who may have been self-isolating, and also vulnerable customers (including the elderly), with access to cash by using their "Pay Now" and "Fast Pace" services.
 - Introducing centralised banking hubs which offer a wide range of services, including ATMs for access to cash withdrawal and deposit facilities.
 - Some banking services offered to customers may only be provided using traditional 'bricks and mortar' premises. In these circumstances' Banks should clearly signpost alternative branches or methods of carrying out such transactions.

Vulnerable Customers

Some vulnerable customers may struggle to access essential services in locations where branches remain closed permanently. This places greater emphasis on the need for Banks to offer the appropriate level of support and guidance to treat vulnerable customers fairly.

Other than the cohort of customers that are already known to be experiencing vulnerable circumstances, the crisis has highlighted the potential for more customers to become vulnerable who were not previously considered as such (E.g. those self-isolating or continuing to be furloughed from their jobs).

Banks should therefore actively review their policy in relation to managing vulnerable customers throughout a closure programme to ensure they are able to understand the impact of coronavirus and how this may impact a different cohort of customers. Work should include identifying and supporting these customers so they are able to continue to bank and be able to contact staff, or an alternative branch, where necessary.

Banks should also ensure that all frontline and call centre staff are adequately trained and have the appropriate skills, competence, and empathy to manage vulnerability and treat such customers fairly.

Matters for Consideration

- Banks should complete proactive outbound ‘vulnerable customer’ call campaigns to provide help, advice, and education on alternative banking options (this should be extended to include those customers known to be self-isolating and therefore experiencing branch accessibility issues).
- Introducing specialist teams or a dedicated helpline to deal specifically with vulnerable customers. This could be supported by those staff redeployed due to temporary closures as well as through centralised call centres.
- Reviewing existing vulnerable customer definitions and updating existing policy/procedures (where appropriate), which can then also be used to enhance staff training and knowledge.

Staff Training

In supporting the above areas, it is vital that all employees have the necessary training to ensure they have the right skills and competencies to deal with branch closure and coronavirus related enquiries, to help ensure that good customer outcomes are achieved.

Matters for Consideration

- Banks should ensure adequate training is given which enables employees to talk to customers about the various ways the firm is able to help with regards to branch closures – such as alternative ways to bank (E.g. directing to digital/online banking and local Post Office services).
- Providing adequate training for those employees that have been redeployed from branches to help with dedicated coronavirus and vulnerable customer helplines.