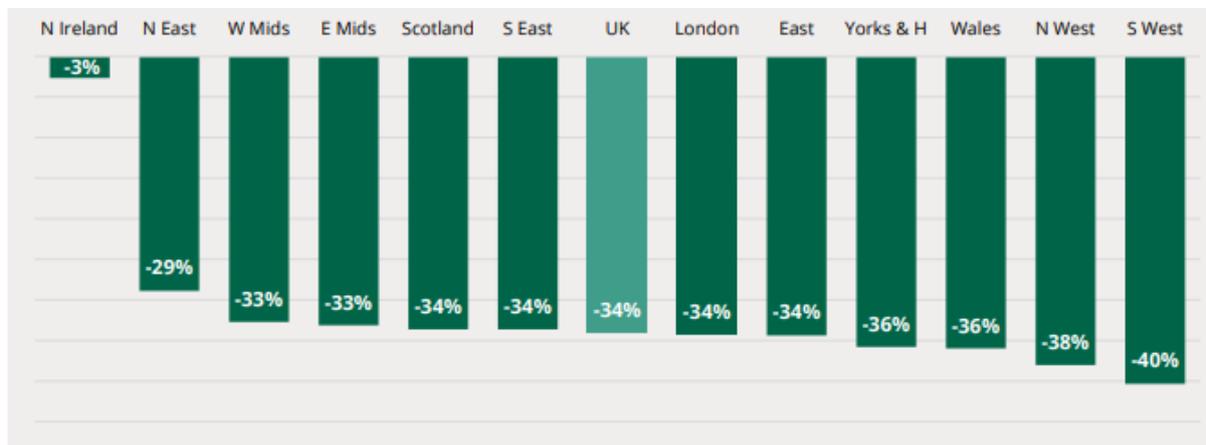


## UK Bank Branch Closures

If you visited a local high street or town centre twenty years ago it would not have been a surprise to see several well-known banks having branches open for its customers to visit and access a wide range of services. But over the last ten years there has been large scale changes with The Office for National Statistics data showing that in 2012 there was 11,355 bank branches within the UK but by 2021 this number had decreased to 6,965. This trend has continued throughout 2022 and it is estimated that a further 300 branches will no longer be operating by the end of the year. The number of building society branches has also decreased within the UK with the number falling from 1,990 in 2012 to 1,840 in 2021.

The below graph shows the change in the number of bank and building society branches by region between 2012 and 2021 with the Southwest seeing the greatest amount of change over this period.



<https://researchbriefings.files.parliament.uk/documents/CBP-8570/CBP-8570.pdf> - House of Commons Library – Statistics on access to cash, bank branches and ATMs.

These closures have had more of an impact on individuals in certain locations. For example, earlier this year Lloyds closed the last bank branch on the Isles of Scilly which lie just off the Cornish coast. This meant residents would face a 44-mile trip to the next nearest branch that would involve a trip on a ferry that takes over 4 hours for a return trip and costs more than £130.

Banks have said that these closures are necessary in an effort to reduce costs and also because branches have seen a large decrease in footfall. HSBC have claimed that footfall has declined by over 50% since 2017, faster than any point in the last decade so there simply isn't a need for all branches moving forward. Closures are also being put down to impacts from the Coronavirus pandemic as it acted as a showcase for digital services. The use of cash declined, and contactless payment methods experienced huge



growth as people tried to avoid physical contact with other people and things. This is set to have a lasting effect, with many people who were traditionally reluctant to use digital channels moving to them in droves during the pandemic.

The Post Office announced earlier this year that it had secured a deal with 30 major banks which allowed their customers to complete basic personal and business banking tasks at counters. Customers will be able to pay in cash and cheques, withdraw money and check balance which may have been increasingly harder to do with bank branch closures.

<https://www.postoffice.co.uk/everydaybanking>

<https://www.moneysavingexpert.com/banking/digital-banking/> - Digital Banking and banking app information.

<https://www.citizensadvice.org.uk/debt-and-money/banking/> - Banking Information.

<https://www.moneyhelper.org.uk/en/everyday-money/banking/beginners-guide-to-online-banking> - How to stay safe when using online banking.

<https://www.ageuk.org.uk/information-advice/work-learning/technology-internet/online-banking/>