

The **co-operative** bank

It's good to be different

Branch Closure Impact Assessment

The Co-operative Bank Aberdare
19 Duke Street,
Aberdare,
Mid Glamorgan
CF44 7ED

About The Co-operative Bank

Our vision is to become an efficient and financially sustainable UK Retail and SME bank that is distinguished by our values and ethics.

The Bank provides current accounts, mortgages, savings accounts, credit cards and loans, serviced via branch, Telephone, Online and Mobile Banking channels. We pride ourselves on our customer service and customer satisfaction levels, and aim to put our customers at the heart of everything we do.

The Bank has 3.7 million customers. The majority (3.6 million) are individual retail customers and the remainder are small and medium sized businesses, social enterprises, charities, credit unions or co-operatives. Customers are serviced by a nationwide network of 95 branches and a number of call centres.

The Co-operative Bank is Changing

This closure forms part of the Bank's strategy to reduce its operating costs as we rebuild and reshape our business for the future with a focus on responding to the changes in the way customers are choosing to bank with us.

A growing number of our customers are now using Online and Telephone Banking services.

As a result of the changes in how customers bank with us, we are experiencing fewer visits to our branches, making some of them unsustainable.

This is why we have unfortunately chosen to close our Aberdare branch on 16 May 2018.

We make the difficult decision to close a branch on a case-by-case basis, taking into consideration a wide range of factors. This includes branch usage by personal and small business customers and the alternative ways to bank in the local area.

This Impact Assessment sets out the steps we are taking to minimise the impact of our decision to close our Aberdare branch on our customers, in-line with our responsibilities under the Access to Banking Standard.

The Access to Banking Standard

We are signatories of the Access to Banking Standard as we believe it is the right thing to do for our customers and it fits with our values and ethics. The Standard, an agreement between the Government and the banking sector, sets out what steps we should take to measure the impact of our decision to close a branch on our customers, how we should communicate our decision to them and the steps we should take to ensure they can continue to bank with us.

When we make the difficult decision to close a branch, we always make sure our customers have access to alternative ways to bank including:

- Free to use ATMs
- Distance to our next nearest branch
- Distance to the local Post Office®
- Online and Mobile Banking services.

As part of the Access to Banking Standard, we publish this Impact Assessment when we announce our decision to close. Two weeks before the closure of our branch, we publish an updated version of the Impact Assessment, which includes any feedback from stakeholders and how we intend to address any issues or concerns raised.

How to Contact Us

If you think you may be affected by our decision to close our Aberdare branch, or if you would like to know what steps you can take to ensure you can continue to bank with us, please call our **UK customer contact centre**, which is open 8am-8pm, 7 days a week.



Telephone: **03457 212 212**.

Our Approach

We regularly review usage of our branches by monitoring the number of counter transactions taking place, such as customers making withdrawals or deposits. When the number of transactions falls to a very low level, we review the sustainability of keeping the branch open. During this process we consider:

- The number of customers regularly using the branch
- The demographics of our customers
- The type of products they hold with us
- Alternative ways to bank with us
- The number of colleagues affected
- The distance to our nearest branch and Post Offices®
- The cost of running our premises

Our Chief Operations Director, the Executive member responsible for our branches and contact centres, makes a recommendation to our Executive Committee for their approval on which, if any, branches are recommended for closure.

If we decide to close a branch, we always let our impacted colleagues know first.

Twelve weeks in advance of the closure date we write to all customers who actively transact in the branch (those that have made a transaction in the past 12 months), setting out their options and alternative ways to bank with us. We also display posters in the branch throughout this period.

For vulnerable customers who actively use the branch, we provide different forms of communication to support them, such as Braille letters, large print letters and phone calls. Our definition of vulnerability includes customers with physical or mental disability, those over 65 years of age and those experiencing financial difficulties. Our branch staff also use their local knowledge to identify vulnerable customers and support them during the branch closure.

We also write to members of the local community to let them know of our decision and to give them the opportunity to discuss this further with us.

Pre-closure Assessment

As part of our decision to close we assessed how many customers used our Aberdare branch, the type of transactions they were undertaking and the type of products they hold with us. The results of our assessment are set out below.

Across our branch network during 2017, we saw transactions fall by 13 %, as customers move to alternative ways of managing their accounts.

Of the customers who used the branch in the last 12 months, 45 % visited the branch only once or twice in that period.

Of the transactions made in Aberdare branch, 42 % of customers were making cash deposits, and 38 % were making cash withdrawals. These transactions can be undertaken at a local Post Office® or in the case of cash withdrawals, for free via a cash machine. More complex queries and transactions are managed by our telephone contact centres or online.

The majority of our customers at Aberdare branch hold products with us which can be easily managed via telephone, postal, Online Banking and through local Post Offices®. This includes those holding savings products (63 %) and those holding current accounts (96 %).

By contrast the number of customers using our Online and Mobile Banking app continues to climb; 54 % of customers are registered to use our Online Banking service and 26 % are registered for our Mobile Banking application.

Aberdare branch customers are more likely to be younger compared to the overall customer base. 13 % of our customers are aged below 35 years, with 52 % aged between 35 and 65 years. Only 35 % of customers are aged over 65 years.

Alternative ways to bank with us

To ensure ongoing service provision to our customers we offer a number of alternative methods of servicing accounts.

Our **Online Banking service** is secure and easy to use and lets our customers manage their account 24 hours a day, 7 days a week.

Depending on account type and once registered customers are able to:

- Check balances
- View recent transactions
- Pay bills
- View statements
- Transfer money
- Manage Direct Debits and standing orders.

More information about our Online Banking service can be found at:

co-operativebank.co.uk/onlinebanking

The Online Banking and Mobile Banking app are not available to Britannia savers or mortgage customers who do not hold a current account with us. We invited these customers to come to the branch to discuss alternative banking arrangements.

Depending on their account type, customers can call our **UK customer contact centre** on 03457 212 212.

Customers have access to over 53,000 free to use ATMs in the Link ATM network. **There are 10 free to use ATMs less than half a mile from our branch**, the nearest being 0.08 miles away. See below for details.

Cash and cheques can be deposited at more than 11,000 Post Offices® nationwide. **There are 2 Post Offices® within a mile of our branch**, the nearest being 0.2 miles away. See below for details.

Personal cash deposits at the Post Office® can be made by simply handing over a cash card (Debit or ATM) and the cash to be deposited. The funds will then be credited to the account immediately, as long as the cash is paid in before the Post Office's® cut off time (times may vary, please ask the local Post Office® for their cut off time).

For personal cheque deposits at the Post Office®, the customer will need to have a Co-operative Bank cheque deposit envelope. These can be ordered via our Online Banking service or by calling our customer contact centre. A personalised Co-operative Bank credit slip from the back of the customer's cheque book or paying-in book must also be used.

Payment into the account will take up to two business days once the cheque has cleared.

Business customers can also deposit cash and cheques at the Post Office®. For more information on how to do this customers should visit [co-operativebank.co.uk/business/postofficeguide](https://www.co-operativebank.co.uk/business/postofficeguide) or contact our Business Account Support Team on 03457 213 213.

Of course, our customers can use any other Co-operative Bank branch. You can find branches by using our 'Branch Finder' on our web site: [co-operativebank.co.uk/branch](https://www.co-operativebank.co.uk/branch)

The nearest Co-operative Bank branch

The nearest Co-operative Bank branch is located in Caerphilly at Hazel House, 18 Cardiff Road, Caerphilly CF83 1JN which is approximately 17 miles away from the Aberdare branch location.

Post Offices®

Including distance from our Aberdare branch:

Aberdare

28 Whitcombe Street
Aberdare
Mid Glamorgan
CF44 7AU

0.2 miles away from the Aberdare Branch Location

Aberaman

41 Lewis Street
Aberdare
Mid Glamorgan
CF44 6PY

0.9 miles away from the Aberdare Branch Location

Trecynon

66-67 Mill Street, Trecynon
Aberdare
Mid Glamorgan
CF44 8LY

1.1 miles away from the Aberdare Branch Location

Cwmbach

9 Pit Place, Cwmbach
Aberdare
Mid Glamorgan
CF44 0LW

1.9 miles away from the Aberdare Branch Location

Godreaman

15 Jubilee Road
Aberdare
Mid Glamorgan
CF44 6DD

1.5 miles away from the Aberdare Branch Location

More Post Office® branches can be found by using the Post Office® website:

www.postoffice.co.uk/branch-finder

Free to Use ATMs

Including distance from our Aberdare branch:

Barclays Bank

12 Victoria Square
Aberdare
Mid Glamorgan
CF44 7HY

0.08 miles away from the Aberdare Branch Location

Nationwide Building Society

60 Cardiff Street
Aberdare
Mid Glamorgan
CF44 7DF

0.08 miles away from the Aberdare Branch Location

Lloyds Bank

12 Canon Street
Aberdare
Mid Glamorgan
CF44 7AR

0.1 miles away from the Aberdare Branch Location

Wilkinson

10-13 Cardiff Street
Aberdare
CF44 7DP

0.11 miles away from the Aberdare Branch Location

Post Office

28 Whitcombe Street
Aberdare
CF44 7AU

0.13 miles away from the Aberdare Branch Location

More ATMs can be found by using the Link ATM locator: www.link.co.uk/atm-locator

Customer Engagement

We announce our decision to close at least twelve weeks in advance, writing to customers and publishing this Impact Assessment. Any customer that would like to speak to us about our decision to close our Aberdare branch or discuss how they can ensure they can continue banking with us can either contact us by telephone, or visit the branch.



Telephone: **03457 212 212**.

Community Engagement

Following our decision to close our Aberdare branch we are also writing to local stakeholders to let them know about the alternative provisions we have made for our customers and to provide an opportunity for them to discuss our decision with us. Any comments they have or concerns they raise will be included in a revised copy of this Impact Assessment, published two weeks prior to the closure of the branch.

We are writing to:

Local MP - Ann Clwyd MP

Welsh Assembly - Vikki Howells AM

Rhondda Cynon Taf County Borough Council -
Cllr Andrew Morgan

Citizens Advice Bureau - 2A Knight Street,
Mountain Ash CF45 4DA

Chamber of Commerce Wales -
113 Bute Street, Cardiff CF10 5AB

Age Cymru - Tŷ John Pathy,
13/14 Neptune Court, Vanguard Way,
Cardiff CF24 5PJ

Federation of Small Businesses Wales-
1 Cleeve House, Lambourne Crescent, Llanishen,
Cardiff CF14 5GP

Action Taken to Ensure a Smooth Transition

We informed the Post Office® of the closure of Aberdare branch, so they now understand they may see more customers wishing to do their banking at the Post Office®.

Frequently Asked Questions

• **Why have you identified this branch for closure?**

This branch was identified for closure based upon a range of considerations, including the availability of alternative banking facilities and customer footfall. The decision has not been taken lightly, and in making this change, we have sought to keep the effect on customers to a minimum.

• **Will you be closing any further branches?**

These changes form part of the Bank's strategy to reduce our operating costs as we rebuild and reshape the Bank with a focus on responding to the changes in the way customers are choosing to bank with us. As part of these changes we have taken the decision to announce the closure of 27 branches across the UK.

• **What will be the impact on your customers?**

It is our priority to keep any effect of this change on customers to an absolute minimum. We wrote to affected customers to let them know about these changes and to explain the alternative options available to them, from Online and Mobile Banking to the ability to transact on their account via the Post Office® network.

• **When will you let customers know?**

Customers were contacted twelve weeks before the closure to provide details on alternative ways they can service their accounts.

• **What are we doing to provide customers with alternative ways to service their accounts?**

Our branch network remains an integral part of our overall customer service offer moving forwards and as we re-focus our business we are investing in self-service and digital channels to provide our customers with new ways to service their accounts. Also, we offer accounts that customers can service and transact via Telephone and Mobile Banking and the Post Office® network.

• **Have these changes been made to reduce costs?**

This decision has not been taken lightly and was made with the best interests of the customer and the business as a whole in mind. However, our costs are significantly above the industry standard for UK retail banks and reducing our costs is a crucial part of our business plan to return the Bank to a position of strength over time.

Glossary of Key Terms

ATM

Automated Teller Machine, cash machine, or cash point. These are the 'hole in the wall' machines used for checking balances, making withdrawals or occasionally, making deposits.

Counter transactions

We measure branch usage through the number of counter transactions undertaken.

This could be any service performed at the counter with of our customer service representatives, such as withdrawing funds, making a payment, setting up a Standing Order, or changing their address details.

Products

We refer to the range of services we offer our customers as products, including Savings Accounts, Current Accounts, or mortgages. Those who hold certain products may be more likely to use a branch than others; for example, business customers may make cash deposits in our branches more regularly than a customer with a mortgage.

Customer demographics

We review the age and background of customers who use our branches to enable us to understand how they may be affected by our decision to close, but also to understand how demand for our branches is changing.

Vulnerable customer

A customer who is experiencing a period of vulnerability, which could include anything from a disability to someone who has experienced a recent bereavement.

Access to Banking Standard – Impact Assessment Update

As part of our adherence to the Access to Banking Standard we gave a commitment to update customers and stakeholders on any feedback that has been provided since the branch closure announcement and the production of the first impact assessment.

We also look to explain the different steps that we have taken to ensure customers continue to have the access to banking they require and how we've looked to support any potential vulnerable customers.

Since the announcement of the branch closure we've attempted to contact by telephone the majority of our customers over the age of 65 with a Britannia passbook account, who have transacted in the branch in the last 12 months. This is so we could explain the different options available to them moving forward, as customers with only a passbook account may be more restricted, and we wanted to proactively support these customers that may be less familiar with other service channels.

In branch we've also been proactively engaging customers to discuss Online and Mobile Banking, Post Office® services, contactless payments, and fraud and scams that they should be aware of. To date we've had conversations with our more vulnerable customers, and also completed individual reviews with customers generally, to support access to banking moving forward.

Below is an update of the feedback that we have received since the closure announcement and steps we have taken to address this.

Stakeholder Feedback (See the community section and who we write to)*

Comments	The Steps We Have Taken
<p>Feedback was received from Vikki Howells AM on the closure of Aberdare Branch. Her concerns were about the impact to Branch colleagues, the effect the closure would have on customers and potentially vulnerable customers. She also provided feedback on delivery of closure notification method moving forward.</p> <p>Similar feedback was received from the Right Honourable Ann Clwyd, MP for Cynon Valley, and Councillor Andrew Morgan, Leader of Rhondda Cynon Borough Council, on the closure of Aberdare Branch. Their concerns were around the effect the closure of the branch would have on customers accessing their accounts moving forward and the local community.</p> <p>Joint feedback was received from Councillors Mike Forey and Steve Bradwick on the closure of Aberdare Branch. They raised multiple concerns around the potential higher demand on the local Post Office®, how Business customers can use this facility, the effect the closure of the branch would have on customers, how customers would access their accounts moving forward, and the impact on the local community.</p>	<p>We met with Vikki Howells AM to understand the concerns being raised. We discussed alternative ways of banking and how we have supported our customers and identified vulnerable customers who need additional support.</p> <p>We confirmed that our colleagues were happy with their personal outcomes and took feedback on closure notification methods, specifically email communications.</p> <p>We wrote to both the Right Honourable Ann Clwyd MP and Councillor Andrew Morgan, explaining the alternative ways of banking and explained the rationale for the closure of Aberdare Branch, as detailed in this Impact Assessment.</p> <p>We wrote to both Councillors Mike Forey and Steve Bradwick explaining the alternative ways to continue banking and explained the rationale for the closure of Aberdare Branch, as detailed in this Impact Assessment. We detailed the change in how Business customers can now use the Post Office® facility and the multiple channels customers can use moving forward.</p>

Customer Complaints*

Comments	The Steps We Have Taken
To date we have logged two customer complaints. Both customers expressed concern at our decision to close the branch, where one expressed their preference in not using our Online or Telephone Banking facilities.	We have responded to each of these customers personally. We confirmed the rationale for the branch closure, as detailed in this Impact Assessment. We also responded to a customer about our Post Office® facility and how to pay in cheques.

Should you have any further questions that you feel have not been answered then these can be raised with Nicki Parry, via email: nicki.parry@co-operativebank.co.uk

If you require further assistance following the closure of the branch then please call our UK customer contact centre, which is open 8am – 8pm, 7 days a week, on telephone: **03457 212 212**

*Data as at 12/04/2018