

The **co-operative** bank

Branch Closure Impact Assessment

The Co-operative Bank Luton

2-6 Alma Street, Luton, Bedfordshire LU1 2PL

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 3.4 million customers. The majority (3.3 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 68 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 Luton branch on 23 November 2020.**

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 Luton 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 Luton branch, or if you would like to know what steps you can take to ensure you can continue to bank with us, please call us on 03457 212 212* (lines are open 8am to 8pm Monday to Friday and 9am to 5pm Saturday and Sunday for Co-operative Bank enquiries). For Britannia enquiries, call us on 0800 132 304* (lines are open Monday to Friday 8am to 8pm, and 9am to 12pm on Saturdays).

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 Managing Director of Customer Channels, 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 Luton 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 2019, we saw transactions fall by 6%, as customers move to alternative ways of managing their accounts.

Of the customers who used the Luton branch in the last 12 months, 61.07% visited the branch in just one or two months during that period.

Of the transactions made by customers using Co-operative Bank accounts in Luton branch, 28% were making cash deposits, 28% were making cash withdrawals and 23% were making deposits involving cheques. 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.

Of the customers who used Luton branch in the last 12 months, 54.2% are registered for online banking and 24.5% are registered for mobile banking.

Of the customers who used Luton branch in the last 12 months, 11.67% are aged below 35 years, with 57.56% aged between 35 and 65 years. 30.77% 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 invite these customers to come to the branch to discuss alternative banking arrangements.

We'd like to reassure you that your accounts will not be affected by these changes. You can continue to manage your accounts by calling us on 03457 212 212* (lines are open 8am to 8pm Monday to Friday and 9am to 5pm Saturday and Sunday for Co-operative Bank enquiries). For Britannia enquiries, call us on 0800 132 304* (lines are open Monday to Friday 8am to 8pm, and 9am to 12pm on Saturdays).

Customers have access to over 45,000 free to use ATMs in the Link ATM network. **There are 28 free to use ATMs less than 0.5 miles from our branch**, the nearest being 0.07 miles away. See below for details.

Cash and cheques can be deposited at more than 11,500 Post Offices® nationwide. **There are two Post Offices® within a mile of our branch**, the nearest being 0.4 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 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 website:

co-operativebank.co.uk/branch

The nearest Co-operative Bank branch is located in Wood Green, 195 High Road (Library Arcade), Wood Green N22 6DP which is approximately 31 miles away from the Luton branch location.

Post Offices®

The nearest Post Offices® including distance are:

Luton
61-63 The Mall, Luton, Bedfordshire
LU1 2TF, 0.4 miles

Bury Park
148 Dunstable Road, Luton, Bedfordshire
LU1 1EX, 0.7 miles

Farley Estate
10-12 Market Square, Whipperley Ring,
Luton, Bedfordshire
LU1 5RD, 1.2 miles

Kimpton Road
24 Kimpton Road, Luton, Bedfordshire
LU2 0SX, 1.4 miles

Beech Hill
293 Dunstable Road, Luton, Bedfordshire
LU4 8BT, 1.2 miles

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 Luton branch

TSB Bank
9 Manchester Street
Luton
LU1 2QB, 0.07 miles away

Euro Market
33 - 35 New Bedford Road
LUTON
Bedfordshire
LU1 1SE, 0.11 miles away

Wilkinson
141-147 The Mall
Luton
Bedfordshire
LU1 2TN, 0.12 miles away

Eurochange
The Mall Shopping Centre
Luton
Bedfordshire
LU1 2TL, 0.12 miles away

Halifax Branch
176-180 Bute Street Mall
Arndale Centre
Luton
Bedfordshire
LU1 2TL, 0.14 miles away

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 12 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 Luton 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 Luton 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 – Rachel Hopkins, House of Commons
London SW1A 0AA

Luton Council – Luton Council, Town Hall,
Luton LU1 2BQ

Luton Citizens Advice Bureau
– Community House 15 New Bedford Road, Luton,
Bedfordshire LU1 1SA

Bedfordshire Chamber of Commerce
– Hart House Business Centre, Kimpton Road, Luton
Bedfordshire LU2 0LB

Age UK – Age UK, Bedfordshire, 78 - 82 Bromham
Road Bedfordshire MK40 2QH

Federation of Small Businesses
– Sir Frank Whittle Way, Blackpool FY4 2FE

Action Taken to Ensure a Smooth Transition

We informed the Post Office® of the closure of Luton 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 18 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 12 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 refocus 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 one 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.

Please call 03457 212 212* if you would like to receive this information in an alternative format such as large print, audio or Braille.

The Co-operative Bank p.l.c. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (No.121885).

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*Calls to 03 numbers cost the same as calls to numbers starting with 01 and 02. Calls may be monitored or recorded for security and training purposes.



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