

The **co-operative** bank

It's good to be different

Branch Closure Impact Assessment

The Co-operative Bank Watford

3/7 Market Street

Watford

WD18 0PB

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 Watford branch on 29 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 Watford 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 Watford 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 Watford 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, 61 % visited the branch only once or twice in that period.

Of the transactions made in Watford branch, 36 % of customers were making cash deposits, and 29 % 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 Watford 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 (95 %).

By contrast the number of customers using our Online and Mobile Banking app continues to climb; 59 % of customers are registered to use our Online Banking service and 30 % are registered for our Mobile Banking application.

Watford branch customers are more likely to be younger compared to the overall customer base. 15 % of our customers are aged below 35 years, with 57 % aged between 35 and 65 years. Only 28 % 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 36 free to use ATMs less than half a mile from our branch**, the nearest being 0.03 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 0.3 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 Luton at 2-6 Alma Street, Luton, Bedfordshire LU1 2PL, which is approximately 19 miles away from the Watford branch location.

Post Offices[®]

Including distance from our Watford branch:

Watford

165 The Harlequin
Watford
WD17 2WH

**0.3 miles away from Watford
Branch Location**

The Pond

145 The Parade
High Street
Watford
WD17 1NA

**0.5 miles away from Watford
Branch Location**

Tolpits

79-83 Tolpits Lane
Watford
WD18 6NT

**1.4 miles away from Watford
Branch Location**

North Watford

200 St Albans Road
Watford
WD24 4AS

**1.6 miles away from Watford
Branch Location**

Aldenham Road

75 Aldenham Road
Bushey
WD23 2LX

**1.7 miles away from Watford
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 Watford branch:

Natwest

72/74 High Street
Watford
WD17 2GZ

**0.03 miles away from Watford
Branch Location**

Barclays

62/64 High Street
Watford
WD17 2BT

**0.04 miles away from Watford
Branch Location**

HSBC

73 High Street
Watford
WD17 2DS

**0.07 miles away from Watford
Branch Location**

TSB Bank

40 High Street
Watford
WD17 2BS

**0.07 miles away from Watford
Branch Location**

Halifax

23/27 High Street
Watford
WD17 2HF

**0.1 miles away from Watford
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 Watford 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 Watford 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 - Richard Harrington MP

Watford Borough Council -

Major Dorothy Thornhill

Citizens Advice Bureau - St Marys Churchyard, High Street, Watford WD17 2BE

Watford & West Herts Chamber of Commerce - 47, Business Centre, Wenta Business Centre, Colne Way, Watford WD24 7NF

Age UK - Tavis House, 1-6 Tavistock Square, London WC1H 9NA

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 Watford 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
No comments received	N/A

Customer Complaints*

Comments	The Steps We Have Taken
To date we have logged one customer complaint. The customer expressed concerns at our decision to close the branch and dissatisfaction in not receiving a closure notification letter.	We have responded to this customer personally. We confirmed the rationale for the branch closure, as detailed in this Impact Assessment and confirmed that closure notification letters were sent out to all customers who transacted in the branch over the last 12 months.

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 26/04/2018