



Access to Banking Services in Northern Ireland

June 2023

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1. Executive Summary

Between May 2020 and May 2022 banks in Northern Ireland permanently closed 34 branches. By early 2023 a further 18 had closed, meaning that in less than three years Northern Ireland had lost 27% of its total bank branch network.

In 2022, The Consumer Council commissioned quantitative and qualitative research projects to acquire information on the impact of the closures on Northern Ireland consumers. This research aims to provide greater insight into the opinions and concerns of consumers in relation to access to banking services. In particular, the research aims to:

- identify the level of consumer access to physical banking facilities (banks or Post Office branches combined);
- identify potential areas where consumers are poorly served by physical banking facilities; and
- understand the impact of bank branch closures on consumers (particularly those who are vulnerable).

Understanding the impacts on Northern Ireland consumers in this area will inform our work and support us in making appropriate policy recommendations to relevant stakeholders.

¹ Based on Open Banking API data obtained in May 2020 and subsequent bank branch announcements

2. Key Findings



21% of consumers have seen their local bank branch close within the last three years.

21% of consumers have seen their local bank branch close within the last three years. 34 bank branches closed in Northern Ireland between May 2020 and May 2022. By January 2023, 52 had closed, which makes up 27% of the total Northern Ireland bank branch network.



90% of those people on low incomes said there was an impact.

Of those people on low incomes (less than £20,000 per year) affected by closure (23%), 90% said there was an impact, with 60% of them saying this was major.



84% said the closure had an impact on them.

Of those consumers affected by closure (21%), 84% said the closure had an impact on them, 48% said it has had a major impact on them and/or their local community.



54% of older consumers stated that the impact on them had been a major one.

For affected older consumers (25%), and those living in a rural area (25%) over half (54% and 53% respectively) stated that the impact on them or their local community had been a major one.



94% of those consumers with a disability said the closure had an impact on them.

Of those consumers with a disability affected by a closure (23%), 94% said the closure had an impact on them, 70% of these said this impact was a major one.



66.7% of people live within 2km in road distance.

Two fifths (40.2%) of the total population of Northern Ireland currently live within 1km in road distance of a banking service (bank or Post Office branch) and 66.7% of people live within 2km in road distance. This means that, for a large proportion of consumers, most journeys to access a banking service would, in all probability, need to be carried out using a vehicle.



59% of the rural population live further than 2km away.

One fifth (21.2%) of the rural population live within 1km of a banking service. More than 59% live further than 2km away.



72% of those who live in urban deprived areas have access to a service within 1km.

Many urban deprived areas in Northern Ireland experience poor access to banking services, particularly in the Lisburn & Castlereagh LGD where only half (50.8%) of those who live in urban deprived areas have access to a service within 1km.



28% withdraw cash from the Post Office at least once a month.

Post Offices are used regularly by consumers to access banking services. 28% of survey respondents said they withdraw cash from the Post Office at least once a month and 19% used a Post Office to pay cash or cheques into their personal bank account at least once a month.



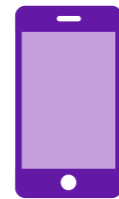
Focus groups told us that branch closures make access to cash more difficult.

Focus group participants indicated that bank branch closures have a detrimental impact on access to cash for local communities as the facility to withdraw cash in-branch is removed, and cash machines associated with the banks are often withdrawn at the same time.



44% of people aged over 65 live within 1km of a banking service.

44% of people aged over 65 live within 1km of a banking service. This figure is 46.3% for individuals with a disability. Over a third (38.1%) of Northern Ireland's most disadvantaged consumers² live more than 1km away from a banking service.



Focus groups showed a preference for in-branch banking.

Focus group participants indicated that they could manage most of their banking needs via alternative means (telephone, online or Post Office) but prefer going to a branch and dealing directly with staff when experiencing difficulties or for 'more serious forms of banking' such as loans or mortgages.



58% are satisfied with the levels of privacy at their local Post Office.

The focus groups highlighted that whilst Post Office branches do offer a convenient alternative for consumers to perform basic banking tasks, privacy within Post Offices and the expertise of Post Office staff are concerns for consumers. The survey also showed that 58% of consumers are satisfied with the levels of privacy at their local Post Office branch, while 26% are neither satisfied nor dissatisfied and 14% are dissatisfied.



81% of consumers say banks should improve consultation regarding branch closures.

81% of consumers stated that banks should do more to consult with customers and the local community before a decision is reached about the permanent closure of a branch.



24% of electoral wards have no banking service at all.

Out of a total of 462 electoral wards, 109 have no banking service at all (23.6%).



Online banking can be difficult for some consumers.

It was identified in the focus groups that online and mobile banking can be prohibitive to large sections of consumers for several reasons. For instance, the cost of owning the appropriate compatible equipment such as a computer or mobile device can be too much for some. Additionally, the technical ability to use these services is beyond some consumers in Northern Ireland, particularly older consumers. Also, there is a distrust of online and mobile banking among consumers from all backgrounds, in terms of the security of these services.



² The most disadvantaged parts of the UK are based on the Indices of Multiple Deprivation utilising Demographic Statistics, NISRA (www.nisra.gov.uk/ninis) and Northern Ireland Small Area data from NISRA (<https://www.nisra.gov.uk/support/geography/northern-ireland-small-areas>). This study analyses data for disadvantaged individuals based on the top 30% in Northern Ireland.

3. Introduction

The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland. Our statutory functions cover energy, post, transport, water and sewerage, and food affordability and accessibility. Our non-statutory functions educate and empower consumers against unfair or discriminatory practices in any market including financial services.

As an insight-led, evidence-based organisation, we aim to undertake best practice research to identify and quantify emerging risks to consumers. Between May 2020 and May 2022 banks in Northern Ireland closed 34 branches. By early 2023 a further 18 had closed meaning that in less than three years Northern Ireland had lost 27% of its total bank branch network.

We are interested to understand the impact that these losses of banking services are having on consumers. In January 2022 we instructed Land and Property Services (LPS) to carry out geographical mapping analysis of banking services (bank and Post Office branches) across Northern Ireland to identify the level of consumer access to physical banking facilities.

We also commissioned Ulster University to speak to consumers through focus groups and one-to-one interviews, to understand the feelings and opinions of consumers regarding bank branch closures and the accessibility of the network of banking services that remain.

In addition, we conducted a consumer research survey in which we asked over 1,000 consumers about the role that Post Office branches have in allowing customers to carry out banking services. By combining the research, we aimed to provide greater insight into the overall impact of bank branch closures on consumers throughout Northern Ireland.

Research objectives

The research aimed to provide greater insight into:

- **how accessible physical banking services are, particularly to vulnerable consumers;**
- **how consumers carry out their banking;**
- **the feelings and opinions of consumers regarding bank branch closures; and**
- **consumers' experiences of using alternative methods to do their banking.**

The data and information received from this research has formed the basis of our findings in this report. A full methodology of the research is available in the appendix.

4. Geographical access to banking services in Northern Ireland

Mapping analysis³ allows us to see what proportion of the Northern Ireland population lives within 1km, 2km, 5km, and 16km (approximately 10 miles)⁴ of a banking service (either a bank⁵ or Post Office branch).

Table 1 below shows that 60% of the total population of Northern Ireland lives within a straight line distance of 1 km of a banking service. However, to see more accurately how accessible banking services are for consumers in real terms, it is better to look at the road distance data. In this case,

40.2% of the total population live within 1km of a banking service and 66.7% of people live within 2km in road distance. This means that most journeys to access a banking service would, in all probability, need to be carried out using a vehicle of some sort. This may have a greater impact on some consumers given that in 15% of Northern Ireland households do not have access to a car or van⁶.

The figures for consumers living in rural areas show that 21.2% of the rural population live within 1km of a banking service and more than 59% live further than 2km away. We already know that 36% of the total Northern Ireland population live in rural areas⁷, so these figures are a cause for concern.

³ Mapping analysis performed by Land and Property Services on behalf of the Consumer Council

⁴ Distances measured in km to correlate with similar research by organisations such as FCA.

⁵ Bank branch = one of either of the nine main bank or building societies operating in NI (AIB, Bank of Ireland, Barclays, Danske, Halifax, HSBC, Nationwide, Santander and Ulster Bank).

⁶ NISRA, Continuous Household Survey Access to Cars 2021-22 - https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/Access%20to%20Cars%20-%20Car%20Ownership%20or%20Access_0.xlsx

⁷ [Key Rural Issues 2021.pdf](https://www.daera-ni.gov.uk/sites/default/files/Key%20Rural%20Issues%202021.pdf) (daera-ni.gov.uk)



Table 1: Levels of accessibility to a banking service (bank or Post Office branch)

Criteria	Total Population within 1km (%)	Total Population within 2km (%)	Total Population within 5km (%)	Total Population within 16km (%)
Straight line distance	60.0	81.6	99.0	100.00
Road distance	40.2	66.7	89.9	97.1
Urban areas (road distance)	55.1	87.3	97.6	98.6
Rural areas (road distance)	21.2	40.3	80.2	95.2

Geographical access for vulnerable consumers

Table 2 looks at accessibility of banking services for more vulnerable consumers, including people who live in the urban deprived areas⁸, the most disadvantaged individuals⁹, those with a disability and people over the age of 65.

It shows 71.9% of residents in urban deprived areas in Northern Ireland live within 1km of a banking service. The most urban deprived areas experience,

among other things, poorer levels of employment, income, health, and access to services¹⁰, demonstrating that consumers in these areas may have a greater need for accessible banking services. Over a third of Northern Ireland's most disadvantaged consumers live more than 1km away from a banking service, with 61.9% living within that distance.

In addition, 46.3% of individuals with a disability and 44% of people aged over 65 live within 1km of a banking service. The percentages for these consumers living within 2km are 72.9% and 69.7% respectively.

Table 2: Accessibility to banking services for key groups (using road distance)

Criteria	Total Population within 1km (%)	Total Population within 2km (%)	Total Population within 5km (%)	Total Population within 16km (%)
Urban deprived (road distance)	71.9	94.7	98.1	98.6
Disadvantaged Individuals (top 30% NIMDM 2017)	61.9	84.6	94.9	98.3
Individuals with disabilities	46.3	72.9	91.9	97.7
Individuals over the age of 65	44.0	69.7	91.9	97.5

⁸ Urban deprived – all Small Areas (SAs) classed as urban based on settlement classification bands A-D. From this the 30% most deprived SAs are extracted based on the Indices of Multiple Deprivation.

⁹ The most disadvantaged parts of the UK are based on the Indices of Multiple Deprivation utilising Demographic Statistics, NISRA (www.nisra.gov.uk/ninis) and Northern Ireland Small Area data from NISRA (<https://www.nisra.gov.uk/support/geography/northern-ireland-small-areas>). This study analyses data for disadvantaged individuals based on the top 30% in Northern Ireland.

¹⁰ Multiple Deprivation in Northern Ireland (www.niassembly.gov.uk)

Availability of banking services across Northern Ireland

Map 1 below indicates the availability of banking services across Northern Ireland. The map is split into electoral wards which are colour coded depending on the number of banking services

available within each ward. The darker the ward, the more banking services available (yellow = 0 services, dark blue = 4 or more services).

Out of a total of 462 electoral wards, 166 have 2 or more banking services within their boundaries, 187 have just 1 banking service and 109 have no banking service at all.

Map 1: Availability of banking services across Northern Ireland

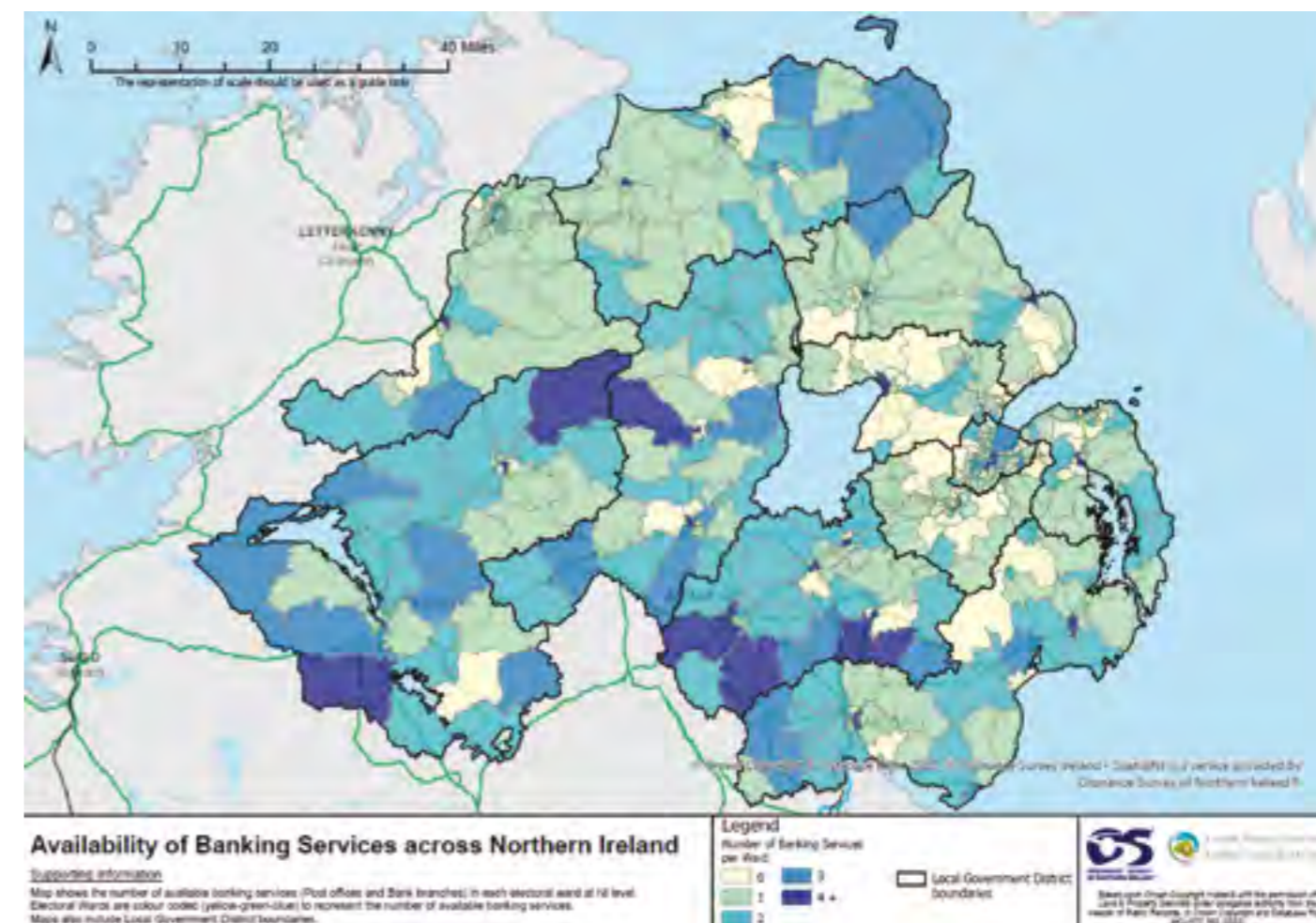


Table 3 below shows the levels of population access (by road distance) to banking services within each of the Local Government Districts (LGD). The LGDs

have been ranked in terms of accessibility using the criterion within 1km.

Table 3: Access to banking services by Local Government District (using road distance)

Criteria	Total Population within 1km (%)	Total Population within 2km (%)	Total Population within 5km (%)	Total Population within 16km (%)
Belfast	72.1	94.5	98.2	99.2
Ards & North Down	49.9	77.0	95.2	97.7
Derry & Strabane	41.3	68.1	85.8	93.0
Antrim & Newtownabbey	36.4	68.8	91.8	98.6
Armagh, Banbridge & Craigavon	34.8	6.3	90.6	97.5
Lisburn & Castlereagh	32.7	64.7	93.6	99.6
Causeway Coast & Glens	31.5	59.8	81.0	95.9
Mid & East Antrim	30.5	60.3	88.9	97.6
Newry, Mourne & Down	26.4	51.3	85.2	94.5
Mid Ulster	23.3	47.6	84.7	96.2
Fermanagh & Omagh	21.5	44.9	81.9	95.5

We can see from this that in seven of the 11 LGDs the percentage of total population that live within 1km of a banking service is below the LGD average of 36.4%, with only Belfast (72.1%), Ards and North Down (49.9%), Derry and Strabane (41.3%) and Antrim and Newtownabbey (36.4%) having a percentage equal or higher. Indeed, three of the LGDs, Newry, Mourne & Down, Mid Ulster and Fermanagh & Omagh, have a total population percentage for this criteria at less than 30%.

If we expand the distance criteria to 2km, the figures show six of the 11 LGDs having less people living within 2km of a banking service than the LGD average of 63.4%.

Northern Ireland also has a large rural population (36%)¹¹ and the majority of the populations of Mid Ulster (71%), Fermanagh and Omagh (70%), Newry, Mourne and Down (61%) and Causeway Coast and Glens (53%) live in rural areas¹². While nearly half (49%) of people living within the Armagh City, Banbridge and Craigavon LGD are also in a rural location. But, as can be seen in Table 3 access to banking services in each of these LGDs is lower than the LGD average of 36.4% within 1km.

If we expand the criteria to 2km, in Mid Ulster, the most rural of the LGD's in terms of population¹³, 47.6% of consumers live within 2km of a banking service. For Fermanagh and Omagh this figure is 44.9%, for Newry, Mourne and Down it's 51.3%, 59.8% for Causeway Coast and Glens and 60.3% for both Mid and East Antrim and Armagh City, Banbridge and Craigavon.

It is therefore possible that a large number of consumers in these LGD areas would need to rely on motorised transport to access any kind of face-to-face banking service.

It is clear from the mapping analysis data that Fermanagh & Omagh has the lowest figures for accessibility to banking services of all the LGDs in Northern Ireland, with 21.5% of the overall population here living within 1km. Similarly, the figure for those within 2km is the lowest (44.9%) and the figure for those living within 5km is one of the lowest (81.9%). Fermanagh & Omagh is also one of the most rural LGDs with 70% of people living in rural areas¹⁴.

However, as can be seen in Table 4, 11.5% of the rural population in this LGD live within 1km of a banking service and 30.7% live within 2km. Almost a quarter (24.6%) of those living in rural areas here are more than 5km away from a banking service.

Overall, people living in rural areas in Northern Ireland are particularly poorly served. The average population in rural areas living within 1km of a banking service for the whole of Northern Ireland is 21.2%.

Along with Fermanagh & Omagh, each of the following LGDs have a rural population living within 1km of a banking service which is lower than the Northern Ireland average: Mid Ulster (17.8%); Mid & East Antrim (18.7%); Causeway Coast & Glens (20.2%); and Lisburn & Castlereagh (21.1%).

More detailed statistics for each of the LGDs are provided in Appendix A.

¹¹ Key Rural Issues 2021.pdf (daera-ni.gov.uk)

¹² NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

¹³ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

¹⁴ ibid

Table 4: Access to banking services for people living in rural areas by Local Government District (using road distance)

Criteria	Total Population within 1km (%)	Total Population within 2km (%)	Total Population within 5km (%)	Total Population within 16km (%)
NI performance	21.2	40.3	80.2	95.2
Belfast	0	0	56.3	56.3
Ards & North Down	32.8	53.4	91.3	96.2
Derry & Strabane	22.9	34.9	73.2	94.1
Antrim & Newtownabbey	25.4	44.9	80.4	98.5
Armagh, Banbridge & Craigavon	22.9	39.9	84.8	95.7
Lisburn & Castlereagh	21.1	40	83.4	99
Causeway Coast & Glens	20.2	41.1	72.3	94.2
Mid & East Antrim	18.7	38.7	75.7	94.5
Newry, Mourne & Down	23.3	43.6	82.8	93.7
Mid Ulster	17.8	38	81	95.2
Fermanagh & Omagh	11.5	30.7	75.4	94.5

There are also areas in Northern Ireland that have lower levels of access which are not rural. Lisburn & Castlereagh is a predominantly urban LGD with 65% of people here living in urban areas¹⁵, but, as we can see in Table 5, only half (50.8%) of those who live in urban deprived areas here have access to a service within 1km. Indeed, only four of the 40 electoral wards in this LGD have more than 1 banking service within its boundary.

The Northern Ireland average for access within 1km in urban deprived areas is 71.9%, and seven of the LGDs have figures lower than this. These include three of the most urban of NI's LGDs¹⁶: Derry & Strabane (61.2%); Antrim & Newtownabbey (62.7%); and Ards & North Down (69.5%).

Table 5: Access to banking services in urban deprived areas by Local Government District (using road distance)

Criteria	Total Population within 1km (%)	Total Population within 2km (%)	Total Population within 5km (%)	Total Population within 16km (%)
NI performance	71.9	94.7	98.1	98.6
Belfast	77.6	97.1	98.6	99.4
Ards & North Down	69.5	93.3	100	100
Derry & Strabane	61.2	87.9	93.7	93.7
Antrim & Newtownabbey	62.7	93.3	100.0	100.0
Armagh, Banbridge & Craigavon	77.5	96.7	99.1	100
Lisburn & Castlereagh	50.8	90.8	100	100
Causeway Coast & Glens	90.5	96.9	100	100
Mid & East Antrim	62.3	95.5	100	100
Newry, Mourne & Down	64.4	95.9	100	100
Mid Ulster	81.1	100	100	100
Fermanagh & Omagh	69	93.9	100	100

¹⁵ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

¹⁶ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015) Urban population - Derry & Strabane = 65%, Antrim & Newtownabbey = 79% and Ards & North Down = 74%

5. Consumer Research Findings

Ulster University conducted research on behalf of the Consumer Council in February 2022, in the form of a series of focus group discussions and one-to-one interviews with Northern Ireland consumers. 79 people took part in this research across eight of the LGDs in Northern Ireland.

In this research we asked participants for their views and sentiments about how they carried out their banking, their experiences of bank closures and the impact these closures have had, and how they feel about utilising alternative ways to carry out their banking needs.

In addition, we commissioned Social Market Research (SMR) to carry out a survey with 1,003 consumers in March 2022, using questions designed to help us understand the impact of bank branch closures on consumers and on the service they receive from Post Office branches.



Impact of bank branch closures on individuals and the community

In our consumer survey, conducted in March 2022, 21% of participants confirmed that their local bank branch had permanently closed within the last three years. 25% of older consumers (60yrs or older) in the survey told us their branch had closed, as did the same proportion of consumers living in rural areas. This figure was 23% for those with a disability.

The survey shows us that consumers are being impacted by bank branch closures. When asked if a

closure had an impact on themselves and the local community, of those affected by closure 84% said that it had an impact, with 48% saying that it had a 'major impact'.

Worryingly, 94% of consumers with a disability affected by closure (23%) said it had an impact on them, 70% of these said this impact was a major one. 90% of people on low incomes (less than £20,000 per year) affected by closure (23%) said there was an impact, with 60% of them saying this was major.

Out of 78% of older consumers and 75% of those living in rural areas who said they or their local community had been impacted by bank branch closures, more than half of older consumers (54%) and a similar proportion of those in rural areas (53%) said this impact was a major one.

Most participants in the focus group discussions and one-to-one interviews had experienced the closure of at least one bank branch. All participants mentioned the social aspect of banking as being the greatest loss when a bank branch closed. For some, this resonated more deeply, as it represented a loss of their traditional routine of banking at their local branch, as well as a loss in terms of the often long-established relationships with personnel within the bank. In that respect, these participants felt that they had not been rewarded for their 'loyalty,' but rather the closure of their bank had left them feeling 'undervalued,' changing their banking routine and how they have socialised when doing so:

"The big thing I found most of all is the social side to it. You're talking to people on the phone doing your banking, you're just a nobody. Whereas small towns like Newcastle, where people used it as a social thing, you knew about their wee child, you knew about their grandson and their daughter getting married. You know what I mean? It was a social thing as well. That was the big thing that I felt. My heart went out to a lot of people because I knew them for years and years, maybe their husband died, maybe his wife died, he'd come in and have a wee chat and all. It was a social interaction, was a big thing with that, and my heart went out to some of those people because I knew they would never see anybody from one

weekend to the next. You were there to give them a wee bit of advice or have a wee chat, and I found that was the big, big thing. But sure, as I say, that's old. Doesn't matter anymore. They hardly care about you as a customer, they're hardly gonna (sic) worry about your social life." (FP11)

"There's a community type thing about a bank because you always end up chatting to somebody in the bank." (MP6)

This view was also reflected by a participant, speaking not only as a bank customer but also as someone who had worked in a bank in a rural town for many years:

"So it's really been a gradual drip, drip of closures. And just again, from a personal point of view with customers. We're closed about ten years now. I used to meet people and they'd say to me, 'We really miss you so much.' And a lot of it is probably from an elderly point of view. You've got people coming in there and maybe didn't see anybody all day or maybe most of the week come in for, you know, apart from doing their banking, they'd have a chat and telling you

about this, that and the other. It was a social thing as well. So, we missed that a lot - we got to know people's children and their children's children. So, they really missed the interaction then with talking to a cashier and doing their business. I think it's the personal touch that you lose with going online and telephone banking. People like to see their money as well and they like to talk about accounts, and then of course the interest was quite good, and they had a wee office and a wee personal one-to-one with them. People miss that personal contact." (FP11)

Evidently, the personal relationship between bank staff and customer is deemed as extremely important. In fact, many participants also acknowledged the benefits of such relationships, whereby staff are aware of the regular patterns and banking behaviours of customers, which means they are in the best position to identify and respond to situations which may be considered as 'out of the ordinary.' The following case study exemplifies the significance of this personal knowledge and 'familiarity' between staff and customer.

Case Study 1



'Mary,' a 56 year old from Belfast, suffers from a long-term medical condition that impacts on her breathing and mobility. She also struggles with changes to her routine. Along with her husband 'Kevin,' who recently took redundancy in order to care for her on a full-time basis, Mary has banked with the same bank for almost 35 years. Following her husband's redundancy, the couple were looking at their finances and intended to change their mortgage repayments.

Mary and Kevin had hoped to make an appointment to see their local bank manager who they had known for many years, and who was aware of their circumstances and banking needs. Unfortunately, due to Covid this was not possible, and they were directed to an online Zoom meeting with a different employee they did not know. Mary, who has breathing difficulties brought on by anxiety, found the process difficult:

"My mortgage date was up and I was looking about for another thing and I wanted to go to the bank because all my banking is with the same thing and I couldn't make a face to face appointment. And I was like 'But I want to go and see' and I wanted to do it more long-term, because obviously we knew...everything was going to go up. So, I wanted to take a five year, ten year deal and they weren't just...no speaking, it was all done, wanting to do it via Zoom and phone calls. And it's not good. See at the minute, my medical thing, I get

flustered and can't breathe and stuff. So, I need to take my time and think about what I'm saying, and when you're on a Zoom call they're rushing you."

Later, Mary received a phone call from the bank, but not her local branch, and that caused her further distress. Kevin had received his redundancy money and the bank were calling to ask where the money had come from and what was it for. Mary felt that after so many years of loyalty to the same bank, they were simply being targeted by the bank with little consideration of their needs or wishes:

"My husband left, he took voluntary redundancy to care for me and when his redundancy went in I got a phone call, now it went in in his name it has been going in for 30 odd years from the same people and they rang me to ask what it was for and was he expecting any other money. Instead of even ringing him - and I thought they have a cheek to ask where that is when it's been going in for 30 odd years. They want to go into the branch and stand at the counter and help people at the counter."

Mary believed that had she been able to visit her local bank manager with whom they had forged a personal relationship with over many years, not only would their banking needs have been resolved quicker, but she would have been saved much distress and anxiety.

Several participants argued that their years of loyalty to a particular bank, often where generations of their family had also banked, had been for nothing as their local branch closed, forcing them to move to a branch in another location. Some participants even stated that this sense of loyalty had made them unwilling to change banks, even if another was better suited to their needs. Now however, they are more willing to move, given that their bank had, in their view, been disloyal to them:

"I think it was just a disgrace the way they treated all their customers that were loyal for many, many years and didn't go to any other bank, but the one they'd banked with since they were in their teens or whatever." (FP11)

"If I'm thinking of changing my bank account to another bank at some stage, before you would have felt a wee bit guilty about being disloyal whereas now it doesn't matter because I'm not talking to anybody in the bank and I don't care what happens specifically. If I could get round to it and be bothered, I would change my account to something a bit cheaper." (MP4)

Participants in the focus group discussions and one-to-one interviews raised a point that closures to some branches resulted in increasingly lengthy queues at those that remained, as they accommodate the additional customers. It was also noted that, in addition, closures meant an increase in time and travel costs (alongside the general inconvenience) to access a branch:

"Some of those I met in Glengormley had got a taxi down, the queue was enormous, and it ended up costing her nearly £45 because waiting time and the cost of the taxi to put her cheque into the account. I don't think they're thinking about mothers, or pensioners with walking aids or wheelchairs. How do they get there when they're relying on somebody else? Chances were, they were going to Glengormley [following branch closures nearby] which put bigger queues in Glengormley. Which meant it was taking us longer and still they only had two people behind the counter, the tellers. There is room for about four or five tellers but you're lucky if there's three on when you go in." (MP6)

"One of the things that came up as well, you know bank branches closing in the town and moving to Bangor, but then if you're lucky enough to drive then there's no parking spaces over there, you know, so you're having to pay for your fuel and then you've to pay for your parking to get in to do your business and how long does that take? It's been just a culmination of things adding up." (MP7)

An older female participant in her 70s, who lived outside Larne and who didn't drive, reported that her husband had to drive her to and from the nearest branch in Carrickfergus (more than nine miles away). For another participant in an area that has not yet experienced a bank closure, the importance of their local branch to them would make them strongly consider changing banks, should it be subject to closure in the future:

"I would probably. If there was a bank open nearby I would actually change bank. I would have to change bank because, I'm with my bank as they're handy. But I would move to another there because I would rather be able to go into a bank than do it all online with robots and things like that there." (MP1)



Consumers' banking preferences

In the focus group discussions and one-to-one interviews, almost all participants were keen to highlight that they preferred to have a bank branch to visit, and that this preference was not dependent on their capacity for accessing banking services through other means.

Even for participants who had varying degrees of confidence and capacity for using online or phone banking services, there was a prevailing consensus that a physical bank branch is vital, especially in the event of any issues or difficulties, such as those associated with online banking:

"I think, even though I'm happy with online, I still think there should always be a branch there. If you lose all your passwords you're screwed, you need somewhere to go." (FP2)

"But I have to say I do use online banking a lot, but if there's a problem you need to go face-to-face, which I love at my age and I'm over 60. I prefer the face-to-face." (FP6)

Only two participants from the sample of 79, stated that they do not need a bank branch to meet their banking needs:

"Most of mine is done online anyway..... When the branch was there, yes, I probably would have been in

more often. But in saying that now, Post Office, I can go in if I need to put money back in my account because money goes in my account and bills come out of my account, so that's why I don't really need a branch as such. But if I want to put extra money back in again or something, I can deposit money through the Post Office into my account - which is handy." (FP1)

Nevertheless, it was apparent that participants overwhelmingly preferred going to a bank branch, rather than phoning a bank directly, particularly when experiencing difficulties accessing online services or any general banking queries. This preference was mainly attributed to a sense of familiarity, and a perception that issues would be resolved more effectively and efficiently by someone they know from their local bank branch. On the other hand, it was also based on a cynicism or mistrust of discussing such personal issues with someone they do not know, coupled with the general inconvenience this entails:

"Well, to tell you honestly, I couldn't be annoyed with all that hassle to sit and talk to somebody like that on an internet chat. I'd rather speak to somebody, whether it's on the phone or face to face. I would like to go into the bank. See all that phoning, when you don't know who you're talking to and you can't understand them? If I get someone on the phone and can't make any sense I'd go into the bank, that's what happened that last time." (FP4)

Several participants felt that the interaction with bank staff in-branch, provided not only reassurance and familiarity, but also made them feel that they were a valued customer. As a result, participants claimed that this could not be replicated by other banking services such as online or telephone banking. Such sentiments are best captured in the following statement:

"But there's the human side. I know everything is about money these days, but local branches got to know people and that was part of their social day getting out, so every Friday this person would have went into the bank. I'm going to be morbid, this person could be lying injured or dead in their house and the only interaction they ever had was the bank and the staff would have known 'Oh, that person hasn't been in.' That's not gonna (sic) happen anymore. I know that's not the bank's fault, but it's just part of human nature and the fact that we are sociable creatures. I think everything now is going so virtual and online that we don't even get to talk to people anymore, and it's the same with meetings. It's sad." (FP9)

Several participants felt that a bank branch was an integral part of the wider community economy,

the loss of which would negatively impact on other businesses in the area. Two interviewees suggested that the closure of bank branches in their town had resulted in lower footfall on Thursdays and Fridays ('banking day' for farmers from the surrounding areas) and that local businesses were struggling as a result. This correlates to findings from the consumer survey where of respondents affected by a branch closure 84% said that it had had an impact on themselves and their local community.

Some also explained that their ability to use alternative ways to bank means that they were less likely to spend their money in other local businesses, as they previously would while making the journey to and from the bank branch:

"Well, I suppose from a personal perspective, if I was leaving here to go up to the bank I would go to the bank if I was lifting money or either paying it in. Then you're like 'Oh, I must go to the chemist. I must get food when I'm out.' So, you do spend money on your way up and your way back down again and it's something that probably is good that. I'm scanning my cheques in rather than walking up. But yeah, you can imagine if everybody did that." (FP10)

In general terms, most participants associated banking within a physical space, in-person, in-branch, face-to-face as being the most secure and safe way to bank. This association between bank branches and confidence for customers was evident throughout every focus group and interview conducted by researchers. The confidence around the secure nature of bank branches stemmed, not only from the services provided by bank staff, but from the physical building itself. In stark contrast, there was a lack of confidence in the safety and security of other buildings, such as using Post Offices located in shops or ATMs not connected with bank branches:

"And it's more secure in a bank because then someone paying for fuel or something behind you, they're like 'A senior has just lifted £50 going round this corner, I'm going to snatch her handbag and run.' But in a bank people won't be. There's more space in a bank and it's more private in a bank. They're more quieter and things like that. There's cameras and what else, no-one would think of stealing from a bank, that secure atmosphere." (MP1)

Interestingly, even for those who found going to bank branches to be inconvenient, they still felt that it was a more re-assuring way to bank:

"Even I'm a young person, I'm 19 and I would actually prefer to speak to someone. If I have something going on with my bank I would rather go in and speak to someone instead of an online chat. Or

try and figure it out myself. I prefer that comfort and that reassurance yeah that nothing is going wrong. So I'm a different person. I find it, and for me anyway me being young, I hate going into the bank to put it in, but I like going in to put it in at the same time because I feel like putting it in your bank it's in a safer place than having it in your home. Having money in your house." (MP1)

However, some participants in the focus group discussions and one-to-one interviews expressed a discontentment with some modern bank branches. Despite their preference for banking in-branch, some were not happy with how banks are moving away from traditional face-to-face customer service.

In many respects, it was evident that the attitudes to bank branches and the confidence participants derived from their presence was often expressed as a nostalgia for a 'golden age'. Put another way, many participants identified with 'a more traditional form of banking in-branch' that has not been the norm for many years – irrespective of issues with alternative means of accessing banking services:

"Well, whenever you go into the bank there's no-one really standing there anymore to help you. There's no-one really to count your money and put it in the bank, you literally go to the machine and put it in yourself. So that's another issue, they're cutting down on the staff in the banks and you can't really talk to anyone if you have any questions." (MP1)

"I think going into the bank now too, there is no privacy because it's all open-plan. Whereas years ago, you had like a wee booth. And now you go in and sure everybody can hear everything. The ten people in the line hears you! Everybody hears what transaction you're doing or you're withdrawing or they're giving off to you. I don't think there's any privacy in banks anymore." (FP5)

In terms of the overall experience, one participant compared banking to shopping at a large shopping centre, stating that even though self-service checkouts are available, many people prefer to use tills staffed by people as they feel more comfortable doing so. Quite simply, participants felt that this also applied to banking in modern bank branches, whereby they go to their bank in branch, only to be disappointed by having to use machines instead of being able to interact with bank staff:

"I think it is important because you nearly are reassured that whatever you're doing is done right. You're afraid. The first time I did lodge for him in the bank I was afraid I was making a mistake using them machines because there's no one there." (FP7)

"If I have money saved up, I bag it and the girl will say 'Oh, there's a machine over there you could put them coins into.' I say 'No, I've got a bag, I'd rather take it up to the cashier.' And half the time you do go there it spits the money back out again." (MP3)

In general, participants felt they could meet most of their banking needs either online, on the phone or through alternative locations such as Post Offices. However, many also stated that when it comes to the 'more serious forms of banking,' such as loans and mortgages, they preferred to visit bank branches in-person. In addition, several participants also conveyed the concerns of older people, and their ambiguity around how relatives can access their finances in the event of their death, given the absence of local bank branches. Such sentiments and concerns are outlined in the following comments:

"You did get financial advice and I obviously was looking for the same. If you were looking for a loan, looking for a mortgage, looking for the best account to put your money into or money to put away. It wasn't just money in and money out, there were lots of other facilities that people were asking you about. And the same with myself when I went into my bank. I knew the girl so well in there, and different other situations in my life and they were able to help me out." (FP11)

"The conversation I had with my wee mum, she wanted to get things in order, and she was like, 'If I go what happens with you, there's no bank to physically walk into to get my money. So, what do I do?' In the old days you walked in, and you give the bank books, and the bank manager brought you in and that's your money. So, she is genuinely worried about this, how do me and my brother get our money, you know. Like I was a wee bit stumped." (FP2)

In-branch banking also emerged as a critical issue for participants involved in community and voluntary sector organisations. These participants stated that they had selected a bank on the basis that there was a local branch nearby, given the challenges associated with organising second bank accounts, necessary to facilitate funding applications for their groups and organisations. That said, many claimed that they continued to encounter problems, as there is a tendency to direct customers to online facilities and processes, despite their efforts to seek help and assistance in branch. As such, what were historically perceived as 'relatively straightforward processes, handled in person in a timely manner,' are now viewed as convoluted and cumbersome:

"Whenever, for our community interest company, I was trying to set up the second account it was a complete nightmare. And that's the reason you pick a local bank, so that you have that face-to-face

contact and you can talk to people. And you went up and the wee girl we always dealt with was like 'Sorry, everything has to be done online now.' And I was going, 'But I don't even know what I'm supposed to do' and she was like, 'I honestly can't help you.' She was trying to tell me what to do, then I sent all the forms through, nothing came back, I needed a second bank account for funding and it just...there was no word from them, I was ringing them, you were on hold for 20 minutes and then the phone went dead and then you were ringing and they were going 'Oh, you're in the wrong department' and they were passing you round and it was going dead. It took us four or five months just to open a second bank account." (FP8)

Finally, those participants who identified themselves as parents with young children, deemed bank branch usage as critical for encouraging children and young adults to save their money. In many respects, there was a prevailing assumption that familiarising children with banks served to instil a sense of fiscal responsibility in their children as illustrated in the following comment:

"From my point of view with the kids, when my daughter was growing up I would have took her into the bank every week and she would have put money into her account so she was learning the value of money and doing that - but you can't do that anymore because the bank's not there and it's too much of a hassle to take them into Coleraine and stuff - so they're not learning to appreciate money. And my two wee ones are constantly buying stuff, Roblox (video game) but they have no concept of what money means because it's all virtual to them." (FP1)

The following case study further demonstrates how important bank branches are for parents and young people alike. The case study is drawn from a conversation between a mother and her daughter during one focus group session, where it became apparent that they each rely heavily on their local bank branch, given that banking alternatives are not available.

Case Study 2



'Steph' is a young person and is starting to receive income from her first job in a local shop. She is keen to control her finances supported by her mother 'Karen,' who is encouraging her to be more independent. Because of her age, Steph is unable to access online banking:

"Well, I can't access online banking at the moment because I'm not old enough..... So, if I was to do something I would have to go to the bank or a bank machine and they're really limited at the moment. And if I was to go to my address like, I'm currently in the process of moving, I'm going to have to go to my nearest branch with my identification and all that. And it's really far away and I don't drive so I have to find public transport and it's not reliable at the moment."

Being unable to bank online has been particularly difficult as, in order to change Steph's address, Karen has had to take time off work to visit the nearest bank branch to help Steph access her account:

"She also likes to check her balance but she can't use access to online banking So, it's difficult for her to find out how much she's even got in her account. And I find as well the bank was my bank, it's been in our family. All our life, we've used that bank. Obviously, Downpatrick is the nearest one. We moved address and I had to take identification over to Downpatrick to get the details changed on the children's bank account. I had to make an appointment. I had to take a day off work to go over and do it because they wouldn't do it any other way."





Impact of bank branch closures on access to cash

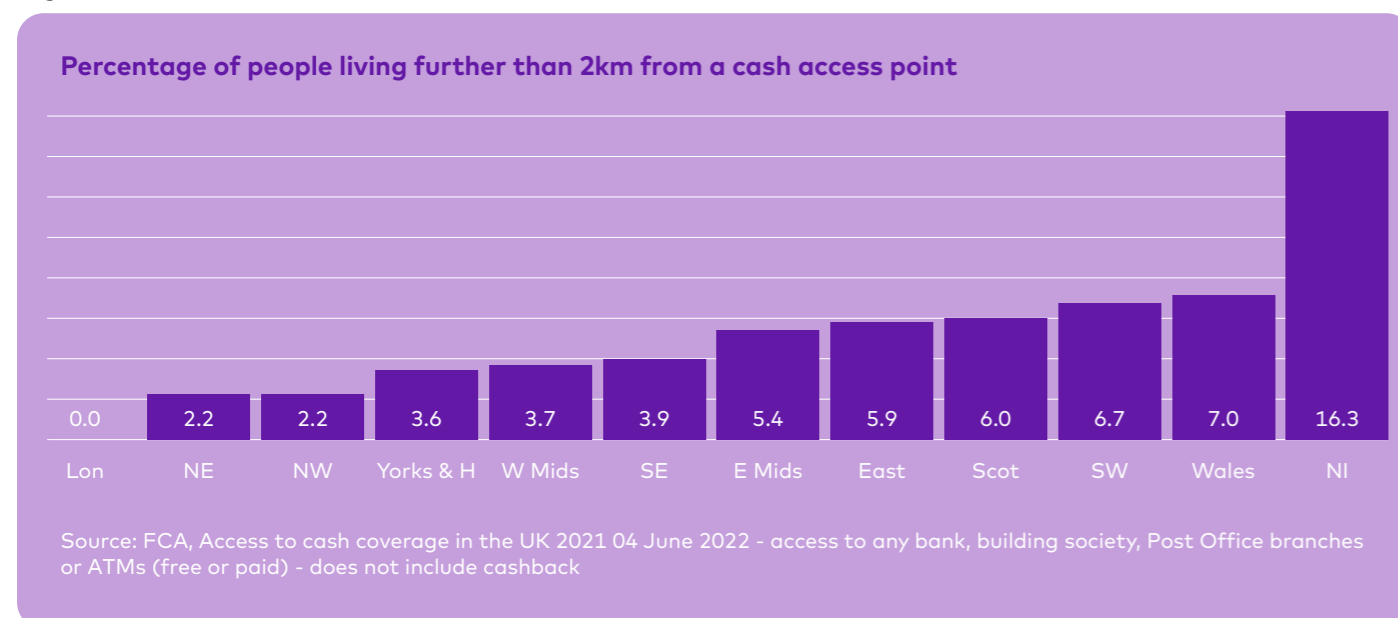
Sometimes, when a bank closes one of its branches, the cash machines (ATMs) are also removed. This can obviously have a detrimental effect on a community's access to cash.

Northern Ireland is a region of 'cash preferers', withdrawing larger amounts from cash machines¹⁷

than their neighbours in the rest of the UK. These factors can mean some consumers rely heavily on a branch presence or depend on using cash over card to make everyday purchases. As the Access to Cash Review found, '17% of the UK population - over 8 million adults - would struggle to cope in a cashless society.'¹⁸

According to the House of Commons report "Statistics on access to cash, bank branches and ATMs"¹⁹, in 2021 Northern Ireland had the highest percentage of people living further than 2km from a cash access point at 16.3%, more than double that of any other UK region (Figure 1). These statistics include access to any bank, building society, Post Office branch or ATM, in October to December 2021.

Figure 1: Access to cash



The FCA, in conjunction with the Payment Systems Regulator (PSR), published updated evidence mapping cash access on 16 June 2022²⁰. It spotlights access to cash coverage within the fourth quarter of 2021, and shows that, overall, 82.4% of Northern Ireland consumers have a cash access point of some kind, including fee charging ATMs and cashback services, within 1km of their home, which is much less than the 95.7% for the UK as a whole²¹.

Table 6 displays the level of access consumers across the UK have for all cash access points and cashback services. It shows that, overall, Northern Ireland

consumers have considerably less access to free-to-use cash options (82.4%) than the UK average of 95.7%.

Rural areas are worst off for access to free-to-use cash services, with 56.4% of Northern Ireland consumers in rural areas having access within 1km, compared to 97.9% in urban areas. In addition, when cashback facilities are excluded, only 29.8% of consumers living in rural areas of Northern Ireland have access to free-to-use cash services within 1 km, compared to 90% in urban areas. So, cash access is a particular issue for many of Northern Ireland's rural population (36%)²².

Table 6: FCA Access to cash coverage in the UK All cash access points – Q4 2021²³

% population by distance with a service within 1km					
Rural / Urban	Population 000's	All cash access points and cashback locations	All free to use cash access points and cashback locations	All cash access (excluding cashback)	All free-to-use cash access (excluding cashback)
NI Rural	709.3	56.5	56.4	30.5	29.8
NI Urban	1186.2	97.9	97.9	91.3	90
NI Overall	1895.5	82.4	82.4	68.5	67.5
UK Rural	12678.2	78.9	78.9	55	53.5
UK Urban	54403	99.6	99.6	96.7	95.5
UK Overall	67081.2	95.7	95.7	88.8	87.6

This issue was raised during the focus group discussions and one-to-one interviews as many participants stressed that there was a lack of convenient ATMs available to them, in both urban and rural locations.

A particular view that arose in the discussion was, ATMs associated with a bank branch will usually be free-to-use, the ATMs more generally available tend to charge for withdrawals. As a result, this discourages people from using such machines even when they need access to cash:

"Up in Newton Park there's a bank machine and it charges you £1.75 or £1.99. So that one closed, and then our local bank at the top of the Ormeau Road, it closed as well. And then I would have used a branch on the Woodstock Road. It closed." (FP24)

"Every single week there's somebody in our family's birthday, and so every day, that's not counting just ordinary birthdays, so every day you need the cash, so you've to run and look for an ATM and I will not pay the money for an ATM." (FP21)

Given the perceived lack of access to free-to-use ATMs, participants explained that they must plan ahead in terms of having cash when needed, rather than automatically having cash to hand. This was an issue particularly for parents who said cash was easier, particularly when their children needed it for school:

"If somebody is coming round you have to know how much it's gonna (sic) cost me and then I'll have the cash ready. Although locally I know most of the people that are doing these jobs so it's fine, they can come into the shop and pick it up, but other people find it a wee bit more awkward and not every tradesman is going to have a portable card reader although some do now." (MP4)

"One thing I do like cash for, when the weans (sic) went to secondary school they had a card and you topped that up for the lunch every day or even top it up once a week or whatever it was. I have to physically give (name removed) £5 a day to go to school." (FP1)

¹⁷ LINK / LINK: Consumers withdraw £79bn from ATMs in 2021

¹⁸ <https://www.accesstocash.org.uk/media/1087/final-report-final-web.pdf>

¹⁹ HoC Report - Statistics on access to cash, bank branches and ATMs July 2022.pdf (www.parliament.uk)

²⁰ Access to cash coverage in the UK 2021 Q4 | FCA

²¹ *ibid*

²² [Key Rural Issues 2021.pdf](http://KeyRuralIssues2021.pdf) (daera-ni.gov.uk)

²³ Access to cash coverage in the UK 2021 Q4 | FCA Table 3, G6 – All free-to-use cash access points (excluding cashback), G7 All cash access points (excluding cashback), G10 All free-to-use cash access points and cashback locations, G11 All cash access points and cashback locations

Participants in the focus group and one-to-one interviews believed access to cash was particularly important to older people who were either fearful of, or unable to do, online or telephone banking, or were simply more accustomed to handling cash:

"My dad doesn't know anything. He knows he has a card. I go and lift his money for him, even though they've changed the Post Office, he's just old school, you go and lift your money every week, no matter how much is in it, you lift it and that's it because he has to have cash." (FP3)

As the availability of ATMs decreases, there is the perception that this causes a strain on the remaining network of cash machines as they become overused, and can either run out of cash or the queues are so long people decide not to wait:

"The most frustrating thing even is about ATMs. Because whenever the bank closed on the main street they closed down two ATMs which used to have long queues. So now the other ones are running out of money quicker." (FP12)

This appears to be a particular issue in rural tourist locations, and coastal towns and villages. Many participants believed that the closure of ATMs in these areas was making access to cash more difficult and problematic, especially during peak holiday times when the population increases significantly:

"But seaside towns, you have the influx then of day-trippers coming in from Easter right through to October, so you've got twice the amount of, three times, whatever the amount of people to access and take money out. And 9/10 times during the summer you find those machines either run out of cash or they're broken so you're left with one machine in the whole of the town. An odd shop does cash back, but very odd. They've got to think about the likes of Newcastle, it's not just the locals in the town, it's the holiday makers coming in as well which creates more demand, and the service isn't there." (FP11)

"You think of a tourist village that we had one bank machine up at the Spar shop and there was a couple of bank machines in shops. But then, you could only use them when shops were open. But then when you had tourist time coming in there was no money in bank machines. And a lot of people in Bushmills don't drive and don't leave the village, they had no access. Like the Chinese (takeaway) didn't take cards so people had no money." (FP18)

The following case study highlights how this issue becomes exacerbated when banks remove ATMs when they close a branch.

Case Study 3



'Sarah' works part-time in her local shop. It is mostly a summer job as more staff are required during summer months as holiday makers come to the coastal town. She has noticed a big difference in recent years since the COVID-19 pandemic with most payments now being contactless via credit or debit card. Normally this isn't an issue but increasingly she is getting asked by customers where the nearest ATM machine is:

"I mean I work in a shop and I've noticed a difference in cash, in that there's very little cash nowadays. But at the same time I do get people in saying, 'Where's the closest cash machine?' And it's very awkward to find a cash machine in the town especially if you don't know the town. And where the main banks were situated it was on the main street so it was easy enough. You know, you'd have one of each bank. But then when the last bank closed

they took two ATMs away and two really central ones."

She is worried about her job as more and more often the card machine in the shop hasn't been working. Customers are becoming frustrated and when they can't find an ATM nearby they take their custom elsewhere to a shop that they can use contactless payment:

"Where I work is just down from where the ATM has closed and we've had numerous occasions where our card machine has stopped working. When people ask us, where can they get money out, we don't know anymore. There's not enough options to get money out without it charging you. So people just go to another place where the card machine is working, it's just there's very limited options now."



Some participants also felt the contactless payment system made it harder for them to budget, save and keep track of their spending in comparison to when they predominantly used cash:

"I don't like using the tappy thing. Then I don't know how much is in my account because it doesn't come out straight away or I use it too much and don't realise exactly how much is coming out of my account." (FP1)

Some participants expressed concern over being a victim of fraud or having their card scammed if they used an ATM to withdraw cash. With more and more bank branches closing and the safety and security of using a bank branch to access cash becoming less and less available, this was perceived to be an ever-increasing issue:

"There's people that are very suspicious about the hole in the wall, they'd rather go into a branch and know their money is in there and speak to somebody because they're scared that people are watching them." (FP8)

"I've went into banks and there's somebody that's come in to lift money and I heard the teller saying 'Look, you can use the cash machine.' Rather than come in taking money over the counter. It's their choice. A lot of people don't like using the machines, and that's as simple as that. You're standing there and you hear all these stories about people looking over your shoulder." (MP2)



Bank communication with customers

In our consumer survey, respondents overwhelmingly (81%) stated that customers and the local community should be consulted with before a decision is reached about the permanent closure of a bank branch. This figure was 90% for older participants (60 years and above), 88% for those with a disability and 85% for those on a low income (less than £20,000 per annum).

The FCA recently published updated guidance which outlines expectations for firms when deciding to close or convert a branch or ATM²⁴. Within this guidance it states that it expects firms 'to communicate this clearly to its customers and other relevant stakeholders no less than 12 weeks before a proposed closure or conversion would be implemented. We expect it to tell its customers about alternative ways they can access services.'

In addition, the Lending Savings Board's (LSB) Access to Banking Standard (2017)²⁵ sets out its requirements for its registered firms. The Standard recognises that the decision to close a branch is a commercial decision for the bank alone, but that in making those decisions firms are committed to ensuring that their customers are communicated with openly and treated fairly.

In LSBs Industry Guidance on the Standard²⁶, they outline that an impacted customer, taken to mean any customer that has undertaken three monetary transactions on three separate occasions at the branch earmarked for closure in the six months prior to the expected date of closure, should be given at least 12 weeks' notice of the bank branch closure and provided with clear alternatives for banking services that are accessible to them.

Most participants in the focus group discussions and one-to-one interviews, whilst unsure of the notice period given by their branches that had closed, did recall being informed by letter of the decision to close the branch.

An important aspect to consider is that for some participants, being informed of the closure and the location of the nearest bank branch did not necessarily mean that they could process the decision or the impact it would have on them. One participant discussed how, on receiving the letter notifying her of the decision to close her local branch, she automatically pushed it to the back of her mind as something she would deal with when she had to. This indicates that perhaps there is a need for banks, or other organisations, to engage more with customers around the practicalities of banking when a local branch is earmarked for closure:

"When my bank branch closed, I remember a letter saying that my closest banks were Newry and Lisburn. And I remember the girl behind the counter telling me it was going to happen. But it was one of those things I couldn't really believe it, do you know

what I mean? I was like 'I'll cross that bridge when I come to it,' sort of thing. But it was so awkward. It seemed sudden and it was awkward." (FP14)

Given the definition of an 'impacted customer' as outlined earlier, and the irregularity with which participants use(d) bank branches, it is unsurprising that not all recall receiving a notification letter. A few participants said they found out about the closure through a notice in the bank branch itself, through word of mouth in the local area or from national and local news programmes covering the story:

"In the branch they would have a sign up saying 'This branch will be closing on a certain date,' and you knew quite a few months in advance it was going to happen. There was nobody contacted personally." (MP8)

"Well, I think from my bank point of view, I know everybody did get a letter from them quite a bit in advance, so I think they sort of handled it okay that way. But with a previous bank, I can't really remember back, I don't actually remember getting a letter from them, I found it came from word of mouth from the cashiers. And then another one, yes, we did. It wasn't great notice. It really wasn't and it took a lot of people unaware, people were quite shocked at how quickly they did this, just out of the blue. There was no warning, you know, 'Business is not good' or 'We're not getting the footfall' and all this sort of thing. There was none of that." (FP11)

A number of participants, speaking specifically about rural towns, felt strongly that they had been 'let down' by their banks.

Similar to the consumer survey, participants in the focus group discussions and one-to-one interviews also displayed their disappointment that they weren't consulted with before a decision was made by a bank to close their local branch.

"I don't think there was enough engagement taken about closing down. I understand they closed down because they mustn't have been doing the business. I'm Glengormley branch but I went to the other three branches that closed, but I don't think there was enough given and taken into account." (MP6)

As illustrated throughout this report, participants overwhelmingly articulated that they prefer to have a bank branch they can access as and when needed. Despite this preference, it is worth noting that only two participants from the total sample of 79, spoke of wanting to protest or complain to the bank about the decision to close their local branch.

For the majority however, there was a sense of this being something that was beyond their control, and as such, any effort to highlight their frustration and anger would simply be 'in vain':

"I wouldn't just want to be told by letter, I would want them to give us the opportunity to fight to keep the branch open. To campaign or something, start a campaign to keep a branch open. Even to ask, 'What would your thoughts be if we had to close the branch?' If the branch was closing, if they were to close the branch. And I think a letter just wouldn't be enough, they'd need to actually ring all the customers. Or even email as well, every means to get in contact with them." (MP1)

"Well, I had a lady come into the shop and she wanted to know, could I do anything about it? So, I got in touch with the local politician's office, and I spoke to them and got an email back from the politician to say that they were taking it up to the hill or whatever. But I mean, the decisions were made, it's pretty pointless. But the people, this woman in particular felt completely helpless and completely at a loss because nobody exactly, they weren't marching the streets about it. It was just a done deal. And there was nothing being done about it, and it is what it is really. It's probably just life and technology, it's just going at such a fast rate. But no, nobody really did anything about it, no." (FP14)



Alternatives for accessing banking services

In their materials informing customers about branch closures, the banks have highlighted that a reduction in footfall within branch and increases in the use of alternative banking methods are driving the decisions to close the branches. Before each closure the banks produce impact assessments and these claim that an escalation of digital and mobile banking usage is one of the main reasons for the reduction in customer transactions in-branch. Additionally, they point to the availability of nearby Post Office branches and the ability for customers to carry out banking services at POs as a factor in their justification for closing each branch.

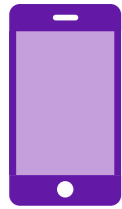
²⁴ <https://www.fca.org.uk/publication/finalised-guidance/fg22-6.pdf>, p5

²⁵ [Access_to_Banking_Standard.pdf](https://www.lendingstandardsboard.org.uk/Access_to_Banking_Standard.pdf) (lendingstandardsboard.org.uk)

²⁶ [Access-to-Banking-Industry-Guidance-2022-v1.0-.pdf](https://www.lendingstandardsboard.org.uk/Access-to-Banking-Industry-Guidance-2022-v1.0-.pdf) (lendingstandardsboard.org.uk), p.7.

In the focus group discussions and one-to-one interviews, participants were asked about alternative ways to access banking services. Four main alternatives for accessing banking services came out of these discussions:

- Telephone;
- Online;
- Mobile app; and
- Post Office branches.



Telephone banking

Participants with experience of having phoned, or attempting to phone, their banks expressed deep dissatisfaction with the process. Several participants discussed the frustration at having to go to generic call centres, only to repeatedly be placed on hold or transferred from department to department often without being able to resolve their banking issue. Participants felt they were not listened to on the phone, and in turn, they often had to travel to their nearest bank branch despite trying to avoid this:

“The only time I did the phone banking was when I was trying to set up the account because I had no other reason, but even to try and if you wanted to phone the bank up the street, it’s all a central number now, you have to go through and then explain why you want them and they keep going to you ‘Oh no, but we can deal with it here.’ I just want to speak to somebody in my local branch who knows me. Even when I was phoning about that stuff you were going through to bank group and you were being transferred round and round. You just think would somebody just listen to what I have to say and then put me through to the right department? So, they’re half listening and putting you through, but it wasn’t right. Then they kept hanging up on you, you’re ringing back but I know I’m not in the right department because they transferred me - but they weren’t telling me where they were transferring me so I could ring through. It was actually really frustrating.” (FP8)

“Just once. Didn’t work. They kept me on the line for 40 minutes so I ended up going into the branch and I said ‘Could somebody deal with this or I’m closing

the accounts and that’s the end of it’ - and they got me somebody who was a nice wee person and we sat in a booth, and they did it there and then. But I was going to close the account because I’d had enough. Forty minutes on the phone saying, ‘Press this button’ and ‘Press that button’ and then they said something else, and you press another button – that’s ridiculous.” (FP1)

The research team also found that a lot of the criticisms directed towards telephone banking stemmed from an unrealistic expectation of banking. Often, participants spoke of a frustration of having to verify their details over the phone with an automated security system before they were able to discuss their banking issues with an individual. Arguably, this frustration stems from the fact they are used to going to a bank branch where they feel people know them and where they have less security procedures to undertake. The anonymity provided by telephone banking naturally necessitates a more rigorous security procedure for banks and customers alike, although it was apparent that many of the participants do not perceive it to be so:

“As the chair of the community group I have to ring to the bank then I have to verify who I am, what the name of the account is, everything. And that takes a good minute to get that all out of the road before you can even get to speak to someone. Senior citizens wouldn’t have the patience, they’re scared to give out this information to someone on the phone they don’t know. It could be because they’re ringing the bank, they could be ringing a fake number. They get into the bank, they could steal their money.” (MP1)

Among those who had tried to contact their bank by telephone, another complaint was that it can cost money to do so:

“I can give you a fact. I was a victim of fraud and the police asked me to contact my bank. So, I tried to phone the bank, and the only way I could get in touch with them was through an 035 number. I eventually got to a branch who put me onto somewhere else. The upshot is to inform them cost me £8.70.” (MP8)

In addition to the anger at having to use alternative means of banking, such as via the telephone, there was a grudging acceptance amongst some participants that ‘it is just the way things are going to be’ and as such, it ‘has to be accepted’:

“We’ve had an incident where a friend was trying to get something changed with their bank and - you’ll never believe - it’s three years she waited to get it

sorted. And whenever the bank moved to Newry the phone number they give is a Dublin number and nobody picks it up. To be honest she got it fixed last week and of course Covid and staff shortages, it’s always thrown into the mix with everything now. But you’re just left hanging there. And I think people just feel, ‘Well that’s the way it is, that’s just the way it is.’ And there’s nothing we can do about it.” (FP17)



Online banking

Opinions on online banking could be broken down into three distinct groups. Firstly, there were a number of younger participants (under 50) who were comfortable, felt secure with and were happy to bank online:

“I think internet banking is the best thing that’s happened to banking. Why you’d want to go to a bank is beyond me. You can do everything from the comfort of your house on your phone, you can pay anybody you want, you can do anything you want. I use it all the time.” (MP9)

Secondly, whilst a larger group of participants were able to bank online, they were not overly keen or enthusiastic about doing so. On that basis, they revealed a ‘begrudging acceptance’ of the need to bank online, albeit indicating that they would prefer to use a bank branch if possible. One participant, for example, stated they only used online banking because they felt pressured into doing so by a combination of bank closures and the lack of alternatives:

“They were trying to force the online banking on you. So, I decided then if you can’t beat them join them so that’s why I decided to go and do online banking. I’m not overly happy with it, but I do it. It’s very handy but it’s just not the same as face-to-face customer service.” (FP11)

The third group had a very negative opinion of banking online, epitomised by a discernible fear of being a victim of fraud or being scammed (particularly for older participants 70 and above):

“They just don’t like online banking. They don’t trust it. I’ve been scammed myself. I’m not happy with it, I do it, but I’m not happy with it so a lot of people

were so reluctant to go online. Then (also) people didn’t have the facility for online.” (FP11)

According to the UK Finance “Annual Fraud Report”²⁷, the UK has seen a significant increase in fraud related to Authorised Push Payment (APP) scams. In an APP scam, a criminal will trick their victim into sending money directly from their account to an account which the criminal controls. The UK Finance report states that there were 188,964 reported cases of APP scams on UK personal accounts in 2021, worth a total loss of £505.9 million. This is an increase of 46% from 2020, when £347.4 million was lost in 145,207 reported cases.

Several participants also stated that accessing online banking requires you to have modern technology such as smartphones, computers, and internet access, which many cannot afford or access:

“And then what we said about going digital, they want people to do more online banking which not everybody has access to. If you’re doing online banking you would need a good phone, some people don’t have that and they’ve no access to online banking, so they’re sort of in-between where they have to go into the bank” (MP7)

In one instance, the real and genuine fear of technology failing or being hacked, which they admitted was down to stories they had heard in the media, was stopping one participant from trying to bank online:

“I use online banking. It’s not on my phone, I only use it on my laptop but it’s not really convenient and I was thinking of changing and then, all their stuff went down the other day, so I thought ‘No,’ I changed my mind again. I’m not sure what to do about it yet.” (FP9)

Several participants also maintained that their capacity to bank online, and their willingness to do so, was often dependent on the online service provided by their bank. One participant with accounts at two different banks was enthusiastic about banking online with one bank, yet admitted he needed ‘significant support to navigate online services with the other.’ This is somewhat indicative of a wider issue, that online banking is dependent on the usability of the online service provided by each bank:

“I do more online banking with one bank, but I never could get onto my other bank’s online banking. It is, well I thought it was complicated and now they sent me through something the other day: if you have to make any transactions online you have to put on

²⁷ [Annual Fraud Report 2022_FINAL_.pdf \(ukfinance.org.uk\)](https://www.ukfinance.org.uk/annual-fraud-report-2022-final.pdf)

this app. To me that's double Dutch, I have to get my son to do all that for me. As I say, he was able to put the bank app on and that's grand and I can do online banking with it, but the other just went over my head." (FP15)

Some participants revealed that if support and guidance is provided, usually by a family member, online banking can become more accessible to more people. For instance, one participant, a retired female aged over 60 who lives in a rural location, and suffers from a long-term health issue, claimed that:

"I actually went and done my banking online then. I got my son to set me up because I'm not really very good at this and it was very... it scared me quite a bit to do online banking. And I was very dubious about transferring money from my bank. Doing it all online. But I think I'm alright with it now." (FP16)

On that basis, it is evident that if banks and other service providers engaged with older customers, they could provide more bespoke, tailored support to enable them to engage securely and more confidently with online banking. In fact, there was a prevailing perception amongst many participants that the 'older generation are being left behind,' with many fearful that older people may be exploited if they attempt to bank online without appropriate support. Such sentiments are succinctly captured in the words below, from a male participant, aged over 70:

"You've got to change with the times. You've old ones and young ones and middle ones. The young ones have no problem (with online banking), but the likes of older people such as myself, you still are inclined to want face-to-face, and I maintain that's the best way to get information. You can't get face-to-face on a mobile phone. Sometimes you sit in the house and you can do it, but when you're there you can ask questions and get answers and you can see the expression on her (sic) face. To me, I haven't moved with the times, but I accept that. But the times behind were good." (MP10)

The key challenge with online banking however is that it works for those people who are merely looking to move money 'from a to b'. It does not easily allow for individuals to ask queries about direct debits they are unsure about, or ask about other financial support services such as overdrafts, interest rates or loans.



Mobile apps

The mobile app alternative for accessing banking services was the least mentioned alternative by research participants. A small number of younger participants used mobile app banking regularly and spoke positively about doing so. Again, usage and confidence in using varied from bank to bank, with the one bank's app capability to lodge cheques being highlighted by several participants as being particularly helpful:

"Well, I don't have any real issues with my current bank in the fact that they're up the street and they're really friendly the people in it. It's more whenever they're now trying to go more online with stuff. I have the app and the app's great for paying in cheques because I get paid by cheques here weekly but sometimes it doesn't recognise the writing, so you still have to go up and pay it in." (FP1)

"I have two bank accounts. Personal and business account. My business account is with a bank and they have up to the value of £500. You can take a photograph of this on your phone, send it in and that's your cheque lodged. On that side of it, it's fantastic. My other bank does not do that, so I physically have to go over to the branch to do it, but for my business account you just take a photograph, send it in up to the value of £500." (FP4)

However, several participants who did use a banking app were concerned that if they changed their mobile device, they would not be able to access their account as they were used to using facial recognition login software and could not remember their account password and login details:

"I have a new phone and I have the apps two banks on the phone and I don't want to change phone because I can't remember all my log-in details." (FP3)

"I lost my bank card, my current account card three weeks now. But because I have to go in and put in a password - I use my thumb print - but because I'm ordering a new card, I've to put in a password and all, I don't know (what it is). Now because I've got the app and I can't physically get to the bank because they're too far away to go in and order a new bank card - I can order it online - but I

can't, because I don't know the password! There's passwords for everything and I can't remember them." (FP20)

Lack of access to the necessary technology (i.e. Smartphone) also emerged as a possible reason as to why some people simply cannot afford to access banking services through a mobile app:

"All of our seniors really, well 70% of them, wouldn't have internet or they wouldn't have even a mobile phone, they would have the wee old Nokia Block. So how are you meant to get your bank details up on that there?" (MP1)

Ironically, one participant was so comfortable with using online and mobile app banking that they considered it an inconvenience to be given cash as a gift as it often necessitated an unplanned and unwanted trip to a bank branch:

"I'm more on my mobile for online banking. I find it quite useful. But also, if they check your bank and they transfer money online it's very handy. But my problem is if my mum or dad get home for Christmas or something they would give me money in cash, and I have to go to the bank and lodge it. There's not that real facility anymore for that, you're more expected to do a quick bank transfer or whatever." (MP1)

Of the participants that used either online or mobile app banking, many identified a key criticism of the process that prevented them from recommending either as an alternative means for accessing banking services. There was a feeling of information and technology overload as participants across all age ranges struggled to remember passwords and login details. In addition to the difficulty in recalling personal details, there was a strong opinion that the need to use an authentication app to verify identity when trying to make payments either online or through mobile banking apps was a difficult process to successfully navigate:

"They tell you to do the app, they tell you to download the app and then when you phone them up about a query, you've to go on the other online anytime banking that you haven't used for months because you're on the app and then you can't remember. There's three codes, there's your user name, your password and then... I was paying this payment the other week and it kept not paying it for me because I had forgot to go in and approve it - so it kept saying it was rejected and then eventually realised." (FP21)



Post Office branches

When announcing branch closures, banks have made a point of referencing local Post Office branches as alternative sources for customers to access their banking services²⁸. Not only that, but they use the availability of this facility at Post Office branches as a factor in their decision to close a bank branch²⁹.

In the consumer survey, participants were asked how frequently they used Post Office branches to access banking services. 44% told us that they had withdrawn cash from a Post Office branch within the last year and 28% said they had done so at least once a month. 41% said they had used a Post Office branch within the last year to pay cash or cheques into their personal bank account and 19% said they had done so at least once a month.

When asked about checking their personal bank account balance, a quarter of those surveyed (25%) said they had done this at a Post office branch in the last year and 19% said they had done this at least once a month. While 20% of the survey participants said they had used a Post Office branch to perform other personal banking services within the last year, with 13% saying they had done this at least once a month.

So, it is clear that consumers are using Post Office branches to carry out some of their banking. However, there is no statutory requirement for Post Offices to offer a banking service in the wake of bank branch closures. The fact that the Post Office branches provide this service is hugely positive, but also fragile because it depends entirely on a commercial agreement between the banks and Post Office Limited to support it.

In the focus group discussions and one-to-one interviews, most participants were aware they could access some banking services at Post Office branches, yet almost all those who had done so, were negative about their experiences. Most of the negative comments related to the inability of Post Office branches to meet demand, with many in both urban and rural locations citing 'large queues' as being a major impediment to accessing banking services at Post Offices:

²⁸ Example - <https://danskebank.co.uk/about-us/news-and-insights/changes-to-db-branch-network- file:///C:/Users/2339866/Downloads/Hollywood-Branch-Closure-Factsheet.pdf>

²⁹ Example - <https://www.halifax.co.uk/assets/pdf/branch-reviews/halifax-belfast-shaftesbury-branch-part-1.pdf>

"Everything is pushed towards the Post Office. Bushmills, you're driving down and there's a queue of 20 people standing outside the Post Office. Raining on them or whatever. You're only allowed two people in the Post Office at a time because it's only a small post office. And these are wee old people standing, no seats to sit on, raining on them, maybe with their walking sticks. And you're going 'That's a disgrace that that's happening.'" (FP9)

"Then the option was given from the bank's point of view was you could then do your business through the Post Office. So, a lot of people then opened an account with the Post Office. Then the Post Office found that demand was getting a lot for them with queues out the door because everybody was going to the Post Office." (FP11)

Our consumer survey showed that 62% of respondents stated they were satisfied with queuing at their local Post office branch, while 24% were neither satisfied nor dissatisfied and 13% were dissatisfied. There were similar satisfaction rates for those 60 years or above (62%), those on a low income (64%) and people living in rural areas (63%). But this figure fell even lower to 57% for those with a disability.

The location of Post Offices within larger shops, coupled with Post Office customers who are there for mailing or shopping rather than banking services, also raised security concerns for many participants. There is a concern in both rural and urban contexts, that other people can overhear or see private financial information within a Post Office, that they would not be able to within the more private setting of a bank branch:

"You can't really go up to the counter and discuss your business. In the bank you could have went (sic) to a wee room to discuss X, Y and Z, but there's no privacy at all in the Post Office. You can hear people's business being discussed at the counter. It's embarrassing! They do their best, but it's been kind of foisted on them I suppose. I don't find it safe either. People going up there and saying, 'I've got £10,000 to invest, where do you suggest?' and people hearing your conversation. The saviour of all these closures was the Post Office. But there's no...you're just up at the front, you're talking to the world and his wife. People are standing behind you to get a stamp when you're trying to do your business at the counter and the queues there as well is (sic) dreadful. Again, you're just a number in the queue, know what I mean? Yes, I wouldn't ever bank at the Post Office." (FP11)

Our consumer survey showed that 58% of respondents were satisfied with the levels of privacy at their local Post Office branch, while 26% were neither satisfied nor dissatisfied and 14% were dissatisfied. This satisfaction figure was 56% for both people 60 years or over and those with a disability. Slightly more respondents (64%) on a low income were satisfied with privacy at their local Post Office branch, but only 52% of people living in rural areas claimed that they were.

Participants in the focus group and one-to-one interviews also questioned the knowledge, training, and qualifications of Post Office employees to be providing banking services:

"I don't think you could go into a Post Office and start talking about your account and issues with it because they're just there to take your money in and get your money out. They shouldn't actually be knowing all your stuff because your contract is with the bank, not with the Post Office." (FP1)

"The Post Office is all well and good but it's certainly just someone who works in the shop in the Post Office. They don't know their personal circumstances, they don't know their bank statements and all that, they don't have access to all of that. Because someone behind the counter who is maybe 30 or 40 years of age or even 16, 17, working in a Post Office they don't have a banking degree, they have nothing. They're just somebody who stacks shelves and they're able to tell you one, how much is in your bank. They're able to access all that information. They're able to lift money for you and things like that there. And they're just someone sat behind the till who has no qualifications. You have to have qualifications to work in a bank." (MP1)

It is important to note that participants in the focus group and one-to-one interviews acknowledged that the concerns outlined above, were not caused by the Post Office branches themselves. Rather, several participants argued that the banks closed and imposed banking services onto the Post Office, which has subsequently left the Post Office being overstretched and overrun:

"I'd say it's the least worst option. I can't think of any other way they're gonna (sic) do it, and the Post Office seem to be willing to do it, I suppose they're getting paid for it. If nothing else, it keeps the Post Office in the town. The Post Office seems to work alright for us." (MP4)

"They've just been made a scapegoat, 'Look we're not leaving you high and dry, you've got the Post Office. You've still got somewhere to bank and do your business, but it's not good at all.'" (FP11)

Whilst acknowledging the convenience of the service provided by the Post Office, one participant did however convey their 'minor irritation' that banking at the Post Office was less efficient, and they had often experienced delays in processing some transactions such as lodging of cheques:

"We have to use the Post Office now. And for me the Post Office is only two doors away. But it meant the Post Office is busy with their work and with all the banking work now. And to be honest at times if you want to change, you go in and they're not that keen. I don't think they think they're a bank, they think they're a Post Office and they're doing us a favour in a way. And if you want to lodge a cheque into your account, you have to put it into an envelope, so it doesn't actually go into your account until later the next day. Whereas if you went to the bank, that would go into your bank account that day. So, there's a few problems there. But the Post Office, particularly on a Monday here, can't cope with older people getting their pensions and taking lodgements, cash lodgements from their businesses like the bars, you know." (FP17)

Some participants raised the important issue that from 5th April 2022, people in receipt of tax credits, child benefit payments and other statutory payments have no longer been able to access credits through the Post Office. This is due to a cessation in the contract between the Department for Work and Pensions and Post Office Limited for the Post Office Card Account. As such, people in receipt of such payments have been instructed to use or open a bank account with a bank, building society or credit union:³⁰

"My sister has always had her benefits paid into the local Post Office, that's where she dealt with all her life, she never had a bank account, but last year she was told her benefits, whatever she was getting paid, would not be coming through the Post Office and she had to go and open a bank account. So that's kind of threw a spanner in the works of the Post Office, if you know what I mean?" (FP19)

One positive aspect in terms of being able to access banking services at the Post Office was, according to one participant, the more convenient opening hours provided by some Post Offices in comparison with bank branches:

"I can do it in the Post Office although you know what the queues are like in the Post Office, you avoid doing it on a Monday because that's when all the pensions come out. I try to avoid certain times. On the plus side, the Post Office be's (sic) open later, you could go later in the afternoon and do it." (MP4)

However, it is also important to note that Post Office branches can also close. For example, if a Post Office is located within a shop – and the shop closes, this can lead to the loss of the Post Office and the access to the banking services this facility provides.

This was the case for residents of a village, outside Larne, who lost both their local shop and Post Office during the pandemic. This was a very concerning development for residents, and particularly for those older residents with limited access to transport or low levels of mobility. Participants who were able to travel reported having to go to bank branches in Carrickfergus, some 10 miles away, or even Glengormley, more than 16 miles away, to do their banking after the Post Office branch closed.

³⁰ For further information see <https://www.postoffice.co.uk/help-support/card-account> (accessed 14 November 2022).

6. Conclusion

Northern Ireland is a unique market within the UK when it comes to banking. We have a lower level of access to cash facilities, higher levels of financial vulnerability, a greater degree of reliance on cash, larger rural communities, and a higher level of dependency on benefit income. Consumers here also bank with different providers compared with the rest of the UK.

In its response to HM Treasury's Access to Cash consultation³¹, the government has indicated that it intends to proceed with 'its proposals to enable HM Treasury to specify geographic baselines for reasonable access to cash withdrawal and deposit facilities across the UK', and 'that HM Treasury may detail separate baselines for Great Britain and Northern Ireland.'

It is encouraging that changes are starting to take place that recognise the regional differences experienced in Northern Ireland. However, the legislative changes currently being proposed only relate to cash access.³²

In July 2022, the government introduced the Financial Services and Markets Bill to Parliament. At time of going to print it appears that, when enacted, the Bill could give the FCA powers to ensure the reasonable provision of cash access services across the UK. The proposed legislation could also give the FCA new powers to act where it finds or anticipates significant impacts on consumers' ability to access cash. However, these powers will not extend to the provision of wider banking services and are not directed towards the maintenance of branch networks, including closures.

This research shows that bank branch closures in Northern Ireland have had a greater impact on more vulnerable consumer groups. Of those consumers with a disability affected by a closure (23%), 94% said that a closure had an impact on them, 70% of these said this impact was a major one. Of those people on low incomes³³ affected by closure (23%), 90% said there was an impact, with 60% of them saying this was major.

For affected older consumers (25%), and those living in a rural area (25%) over half (54% and 53% respectively) stated that the impact on them or their local community had been a major one.

78% of older consumers and 75% of those living in rural areas who said they or their local community had been impacted by bank branch closures, more than half of older consumers (54%) and a similar proportion of those in rural areas (53%) said the impact was a major one.

The rural topography and population density of much of Northern Ireland makes it particularly vulnerable to the impact of bank closures, perhaps more so than other parts of the UK. This research shows that two fifths (40.2%) of the total population of NI currently live within 1km in road distance of a banking service (bank or Post Office branch) and 66.7% of people live within 2km in road distance. In addition, only one fifth (21.2%) of the rural population live within 1km of a banking service with more than 59% living further than 2km away. This means that, for a large proportion of consumers, particularly in rural areas, most journeys to access a banking service would, in all probability, need to be carried out using a vehicle.

It is unlikely that we will see a return to pre-pandemic levels of face-to-face banking and although many consumers have embraced the advances in alternative forms of banking, there are still those that prefer and rely on banking face-to-face in a bank branch. Whilst the proportion of adults in the UK using banking services in-branch fell from 40% to 27% between April 2017 and February 2020, some groups of people still rely on in-branch services.³⁴ The FCA's 'Financial Lives Survey' states that adults who are most likely to use banking services in-branch include the digitally excluded (52%), people aged over 75 (45%), people experiencing poor health (38%), and those who are self-employed (37%)³⁵.

When considering other alternatives to face-to-face banking, the research found views from consumers that online and mobile banking alternatives may be prohibitive for sections of consumers, particularly around the cost of appropriate equipment to access these services and technical ability. The research also shows that consumers do have concerns about online security, indicating that more should be done in relation to educating consumers about online and mobile banking, particularly when a branch closure is being implemented.

When announcing branch closures, the banks make a point of referencing local Post Office branches as alternative sources for customers to access their banking services. While it is positive that these services are offered, it depends entirely on a commercial agreement between the banks and Post Office Limited to support it. As there is no statutory requirement for Post Offices to offer a banking service, this raises potential concerns about the ongoing sustainability of this arrangement.

The qualitative research pointed towards consumers' views relating to the limited financial services provided at their local Post Office branches, alongside the inconvenience of delays, views of a lack of staff training compared to staff working within a bank and concerns over confidentiality. This suggests that Post Office branches are not a suitable replacement for a bank branch designed to meet all consumer banking needs when they are affected by a closure.

³⁴ [Leading Standards Board \(2021\) 'Access to Banking Standard Review Consultation'](#), June, p.11.

³⁵ Financial Conduct Authority (2020) 'Financial Lives 2020 Survey: Impact of Coronavirus', p.126, available at <https://www.fca.org.uk/publication/research/financial-lives-survey-2020.pdf>

³¹ HM Treasury Access to Cash Consultation Response - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1076577/Access_to_Cash_Consultation_Response_2022_Final_.pdf

³² FCA Website - <https://www.fca.org.uk/firms/access-to-cash>

³³ Less than £20,000 per year

7. Next Steps

This research shows that over a fifth (21%) of consumers in Northern Ireland have been impacted by the closure of their local bank branch in the last three years, with almost half saying it had a major impact. Worryingly, for more vulnerable consumers affected by a closure, this rises to 70% for consumers with a disability and 60% for low income consumers.

The geographical mapping also shows just how challenging physical access to banking has become, with almost a quarter of electoral wards in Northern Ireland having no bank branches.

The Consumer Council believes that the scale of bank branch closures in Northern Ireland has caused consumer detriment and the insight from consumers in this report shows what some of these impacts have been.

The research also demonstrates the increasing importance of the Post Office network for Northern Ireland consumers in terms of accessing banking services. Whilst Post Offices provide vital access for consumers wishing to continue to access face-to-face banking services, our research shows that there are some consumer concerns about a variety of issues which need addressed.

The Consumer Council is concerned about the sustainability provided by commercial agreements for access to banking services at Post Offices. We are also concerned about the suitability of the Post Office, as an alternative for accessing banking services when a bank branch closes. Therefore, we will seek to engage with colleagues at the Financial Conduct Authority and Post Office representatives on the issues identified in this research.

Response from the Financial Conduct Authority

The Consumer Council shared the report with the FCA and in response it has stated the following:

"This is a timely report from the Consumer Council, which raises a number of key issues such as the importance of banks' communication with customers when they decide to close a branch, and the need for reasonable alternative facilities to meet customers' needs.

The industry must make sure they are supporting people and businesses who rely on banking services. Through our [updated bank branch closure guidance](#), we continue to closely scrutinise banks' closure plans, and challenge them to ensure they are considering the impact of changes for their customers and avoiding gaps in service. Where firms fall short of expectations, we will ask them to pause closure plans and consider further how they will support their customers."



Appendices and Methodology

Appendix A -) Geographical Information System (GIS) analysis of banking services (bank and Post Office branches) across NI

Methodology

Total Population within 1km, 2km, 5km and 16km of Banking Services

Join SA (Small Area) population estimates (2020)^a to SA geography (2011)^b using SA Code field which is present in both datasets. The data can then be spatially analysed to select all SAs which have their geographic weighted centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking Services.

Urban Population within 1km, 2km, 5km and 16km of Banking Services.

Join SA population estimates (2020)^a to SA geography (2011)^b and urban-rural classification (2015)^c using SA Code field which is present in all three datasets. Urban areas are classed as a community with 10,000 or more inhabitants, this corresponds to settlement classification bands A-D. Create a new dataset by extracting all SAs classed as urban (settlement classification bands A-D). The data can then be spatially analysed to select all urban SAs which have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

Rural Population within 1km, 2km, 5km and 16km of Banking Services.

Join SA population estimates (2020)^a to SA geography (2011)^b and urban-rural classification (2015)^c using SA Code field which is present in all three datasets. Rural areas are classed as a community with less than 10,000 inhabitants, this corresponds to settlement classification bands E-H. Create a new dataset by extracting all SAs classed as rural (settlement classification band E-H). The data can then be spatially analysed to select all rural SAs which have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance

(buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

Deprived Urban Population within 1km, 2km, 5km and 16km of Banking Services

Join SA population estimates (2020)^a to SA geography (2011)^b, urban-rural classification (2015)^c and NIMDM (2017)^d using SA Code field which is present in all four datasets. Urban areas are classed as a community with 10,000 or more inhabitants, this corresponds to settlement classification bands A-D. Deprived urban areas are the most disadvantaged urban parts of the UK based on the Indices of Multiple Deprivation (top 15% SOAs in England, top 15% of Data Zones in Scotland and 30% of SOAs in Wales and Northern Ireland).

The method used extracts all SAs classed as urban (settlement classification bands A-D), then selects and extracts from this the 30% most deprived urban SAs according to the NIMDM 2017. The data can then be spatially analysed to select all deprived urban SAs which have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

Disadvantaged individuals

Join SA population estimates (2020)^a to SA geography (2011)^b and NIMDM (2017)^d using SA Code field which is present in all three datasets. Create two new datasets by extracting the top 15% (681 SAs) and the top 30% (1362 SAs) according to the Indices of Multiple Deprivation. These data can then be spatially analysed to select all disadvantaged SAs that have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

The most disadvantaged parts of the UK are based on the Indices of Multiple Deprivation (top 15% Super Output Areas (SOAs) in England, top 15% Data Zones in Scotland, and top 30% SOAs in Wales and Northern Ireland). This study analyses data based on the top 15% and the top 30% in Northern Ireland in order to provide a simple comparison.

Individuals with disabilities

Join Disability Living Allowance recipients (2020^f to SA geography (2011)^b using SA Code field which is present in both datasets. The data can then be spatially analysed to select all SAs which have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

Individuals over the age of 65

Join SOA population estimates - broad age bands (2020)^g and SOA geography (2011)^h using SOA Code field which is present in both datasets. The data can then be spatially analysed to select all SOAs which have their geographic centroid within a 1km, 2km, 5km and 16km straight line distance (buffer) or 1km, 2km, 5km and 16km road distance (service area) of Banking services locations.

Data sources for GIS analysis of banking services (bank and Post Office branches) across NI

^a Population Totals (statistical geographies): The latest population estimates for Small Areas were published on 25 November 2021, including new estimates for 2020.

Demographic Statistics, NISRA (www.nisra.gov.uk/ninis)

^b Northern Ireland Small Areas: Small Areas (SAs) have been introduced in Northern Ireland after the 2011 Census. Small Areas are generally created by amalgamating 2001 Census Output Areas which were built from clusters of adjacent postcodes. Small Areas nest within the 890 Super Output Areas and the 582 Electoral Wards in Northern Ireland. There are 4,537 SAs in Northern Ireland. NISRA (<https://www.nisra.gov.uk/support/geography/northern-ireland-small-areas>)

^c Urban-Rural Classification: Lookup table of the 4,537 Census 2011 Small Areas (SA2011) to Settlement (2015), settlement classification band, default urban/rural classification, and travel times to large settlements. NISRA (<https://www.nisra.gov.uk/support/geography/urban-rural-classification>)

^d Northern Ireland Multiple Deprivation Measure 2017 (statistical geographies): This data includes ranks and scores at SA level for the Northern Ireland Multiple Deprivation Measure 2017 (NIMDM 2017), the seven constituent domains and the two stand-alone measures: Income Deprivation Affecting Children and Income Deprivation Affecting Older People.

The seven Domain Measures (and weights) are:

- Income (25%),**
- Employment (25%),**
- Health Deprivation and Disability (15%),**
- Education, Skills and Training (15%),**
- Proximity to Services (10%),**
- Living Environment (5%) and**
- Crime and Disorder (5%).**

^e For each variable a rank of 1 denotes the most deprived SA in Northern Ireland and a rank of 4537 denotes the least deprived SA in Northern Ireland. Population Estimates used in the NIMDM 2017 are the 2016 small area population estimates. Demographic Statistics, NISRA (www.nisra.gov.uk/ninis)

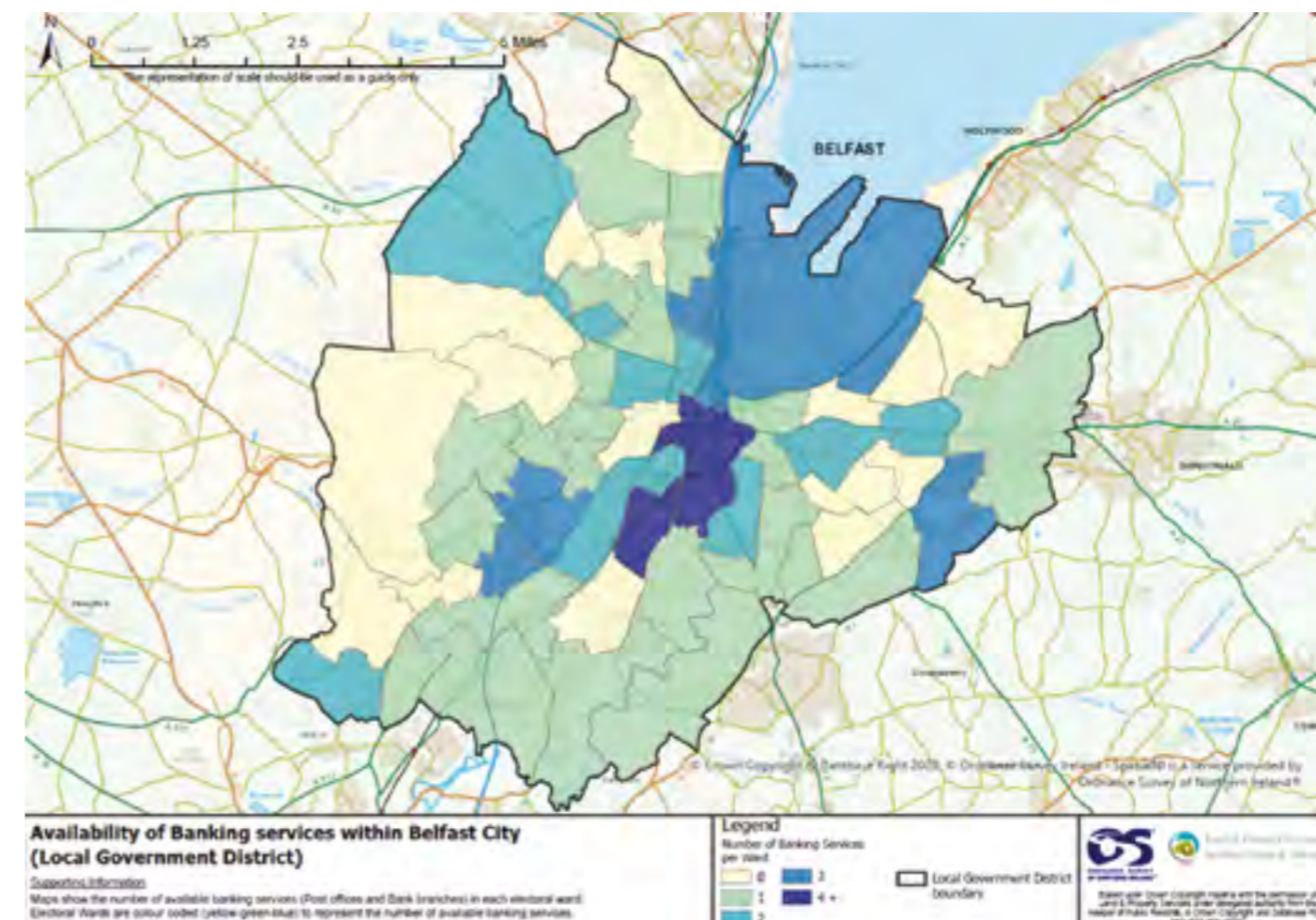
^f Disability Living Allowance Recipients (statistical geographies): Data are sourced from 100% extracts of benefit live loads from the Matching Intelligence and Data Analysis Services (MIDAS) system. Data are partially validated. The dataset is merged with the current Central Postcode Directory. Recipients are people who are actually in receipt of payment. Since 20th June 2016, Personal Independence Payment (PIP) has replaced DLA for people aged 16-64. There have been no new working age claimants to DLA from this data. The data represents a snapshot in February 2020. Analytical Services Unit - Department for Communities (www.nisra.gov.uk/ninis)

^g Population Estimates - Broad Age Bands (statistical geographies): Mid-2020 population estimates were published on 30 June 2021 for Northern Ireland. Population estimates by sex and broad age-bands: 0-15 years, 16-39 years, 40-64 years, 65+ years and total. Demographic Statistics, NISRA (www.nisra.gov.uk/ninis)

^h Northern Ireland Super Output Areas: Super Output Areas (SOAs) were a new geography that were developed NISRA to improve the reporting of small area statistics. A set of slightly revised Super Output Areas (SOAs) were created for the 2011 census outputs.¹ NISRA (<https://www.nisra.gov.uk/support/geography/northern-ireland-super-output-areas>)

Access to banking services per LGD

Map 2: Availability of banking services within Belfast City LGD



Map 2 above shows the availability of banking services across the Belfast City LGD. Belfast City is the most populous LGD in Northern Ireland housing 18.4% of the total population. It is also the most urban of the LGDs with 99% of people here live in

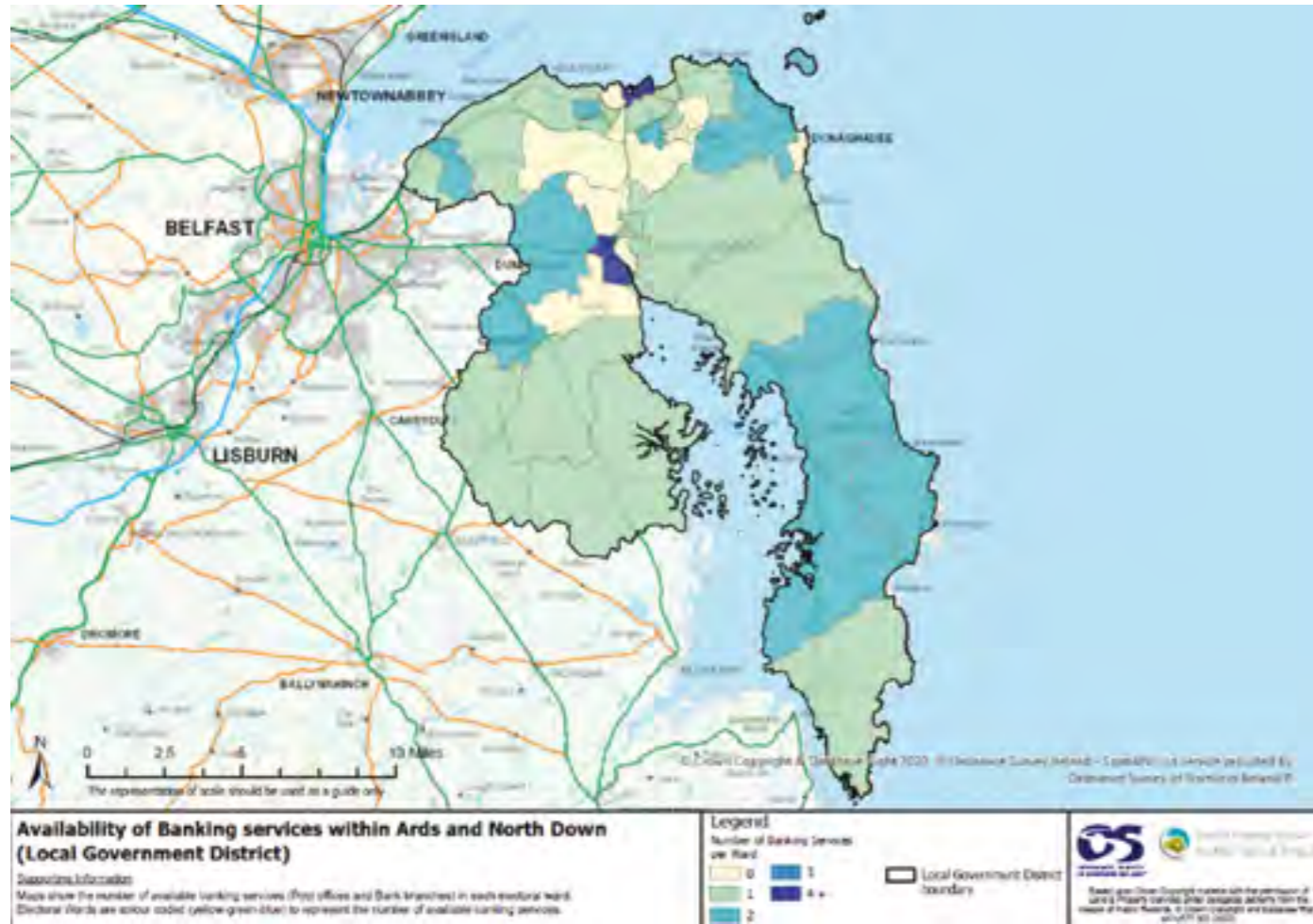
urban areas³⁶. As we can see in Table 7 below, 72.1% of people here live within 1km (using road distance) of a banking service. While 94.5% are within 2km and 98.2% within 5km.

Table 7: Belfast City LGD Geographical Analysis

Belfast City (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	72.1	94.5	98.2	99.2
Urban	72.3	94.8	98.3	99.4
Rural	0	0	56.3	56.3
Urban Deprived	77.6	97.1	98.6	99.4

³⁶ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 3: Availability of banking services within Ards & North Down LGD



Map 3 above demonstrates the availability of banking services within Ards & North Down LGD. As we can see in Table 8 below, less than half the population (49.9%) in this LGD live within 1km (using road distance) of a banking service. While 77% live within 2km and 95.2% live within 5km.

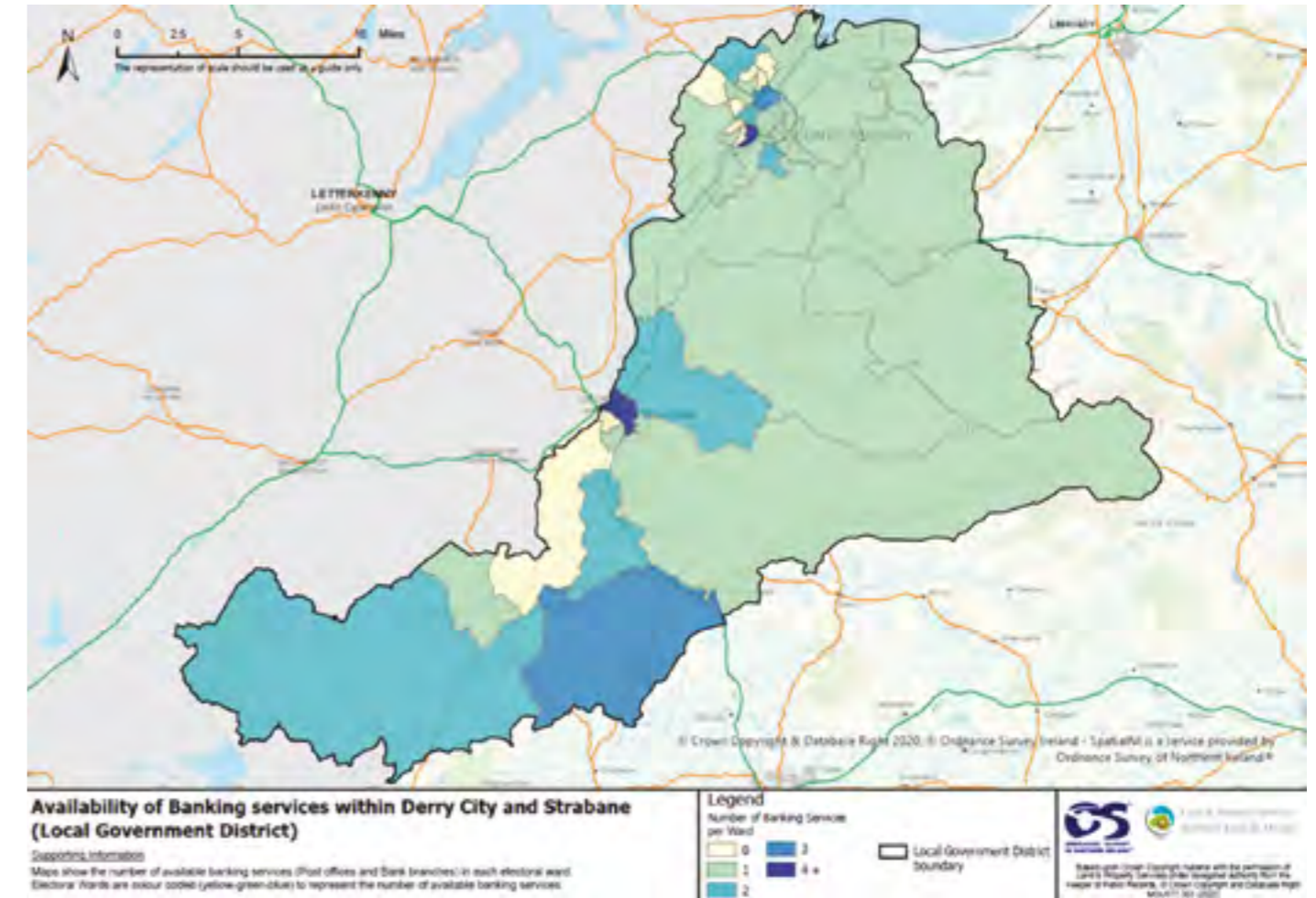
Ards & North Down has one of the most urban populations among all of the LGDs in Northern Ireland, with 74% of people here living in urban areas³⁷. However, just 59.4% of these people have access to a banking service within 1km, with 69.5% of those in urban deprived areas living within 1km.

Table 8: Ards & North Down LGD Geographical Analysis

Ards & North Down (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	49.9	77	95.2	97.7
Urban	59.4	90.2	97.4	98.6
Rural	32.8	53.4	91.3	96.2
Urban Deprived	69.5	93.3	100	100

³⁷ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 4: Availability of banking services within the Derry City & Strabane LGD



Map 4 above demonstrates the availability of banking services within the Derry City & Strabane LGD. As we can see from Table 9 below, 41.3% of the population here live within 1km of a banking service (using road distance), while 68.1 live within 2km and 85.8% are within 5km. This is a

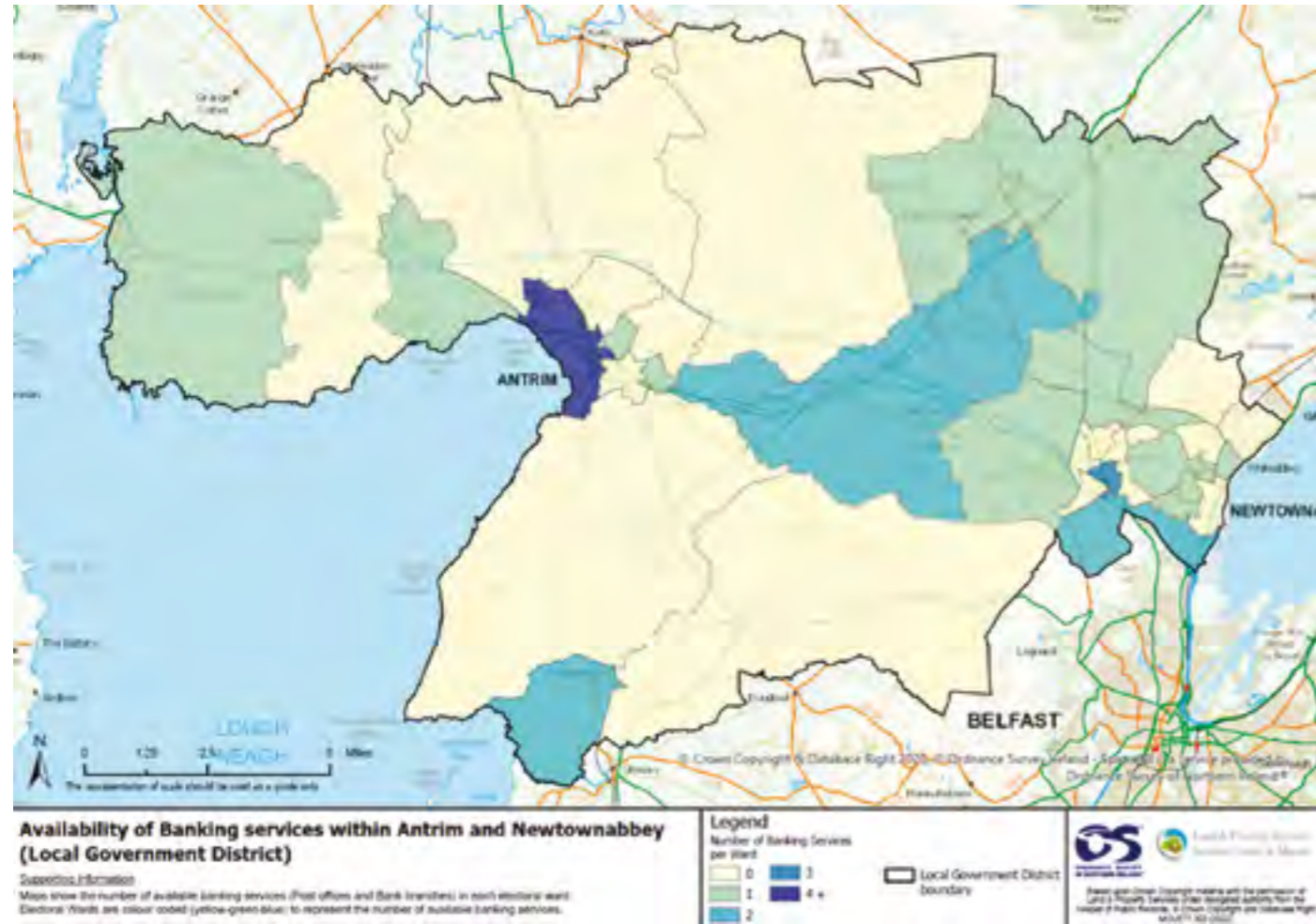
predominantly urban LGD with 65% of people living in urban areas³⁸, but only just over a half (51%) of those who live in urban areas here have access to a service within 1km. This figure is just 61.2% for those in urban deprived areas.

Table 9: Derry City & Strabane LGD Geographical Analysis

Derry City & Strabane (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	41.3	68.1	85.8	93
Urban	51	85.7	92.4	92.4
Rural	22.9	34.9	73.2	94.1
Urban Deprived	61.2	87.9	93.7	93.7

³⁸ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 5: Availability of banking services within the Antrim and Newtownabbey LGD



Map 5 above demonstrates the availability of banking services within the Antrim and Newtownabbey LGD. As we can see from Table 10 below, only 36.4% of the total population live within 1km of a service (using road distance), which is the average for all of the LGDs combined. This rises to 68.8% for those within 2km and 91.8 within 5km.

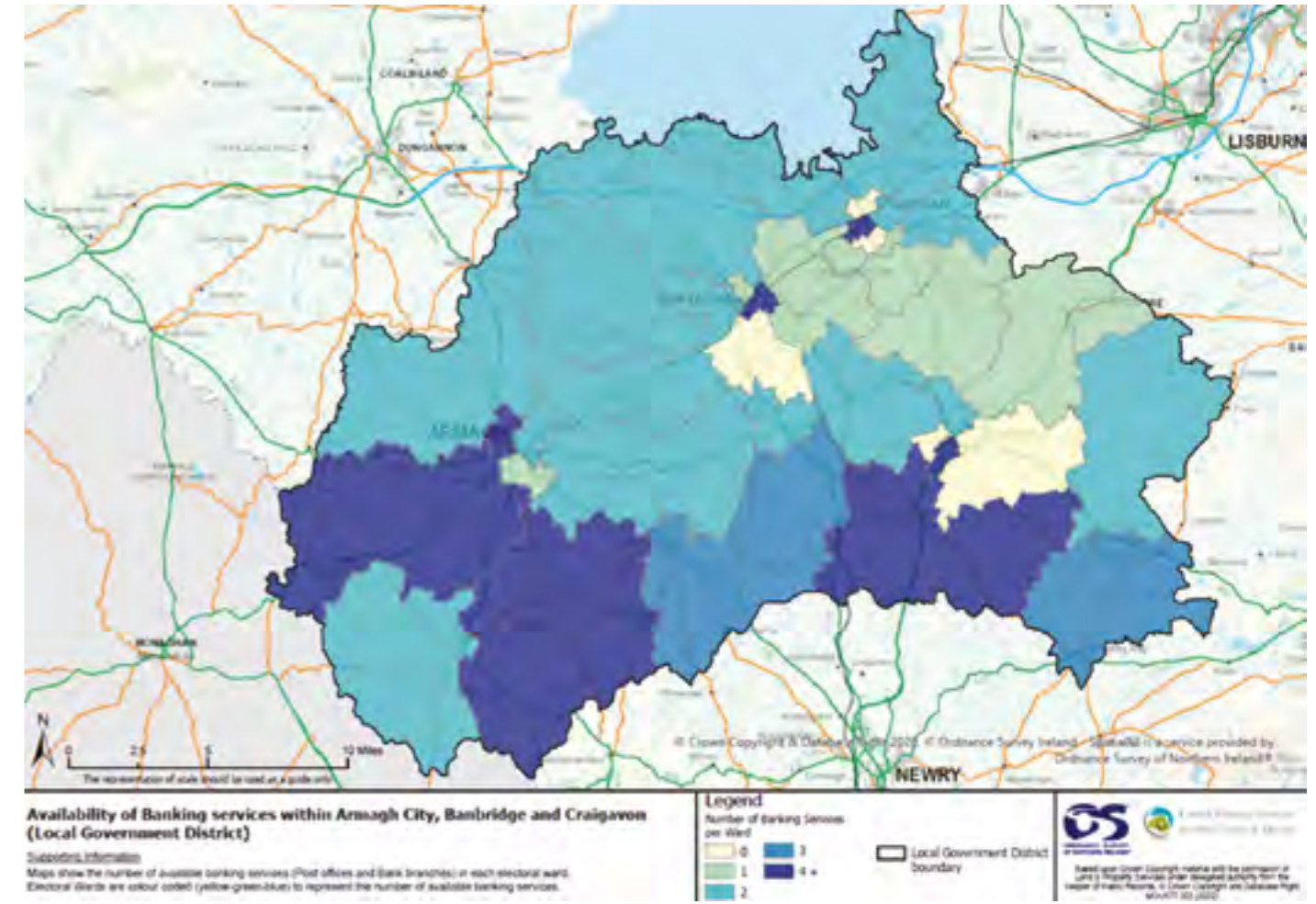
Apart from Belfast City, this is the most urban LGD in Northern Ireland with 79% of people living in urban areas³⁹. However, only 42.6% of those who live in urban areas here have access to a service within 1km. This figure is just 62.7% of those in urban deprived areas.

Table 10: Antrim & Newtownabbey LGD Geographical Analysis

Antrim & Newtownabbey (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	36.4	68.8	91.8	98.6
Urban	42.6	82.1	98.2	98.7
Rural	25.4	44.9	80.4	98.5
Urban Deprived	62.7	93.3	100	100

³⁹ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 6: Availability of banking services within Armagh City, Banbridge and Craigavon LGD



Map 6 above demonstrates the availability of banking services within Armagh City, Banbridge and Craigavon LGD. This is one of the largest LGDs in terms of population, making up 11% of the total population of Northern Ireland⁴⁰. As we can see from Table 11 below, just 34.8% of the population

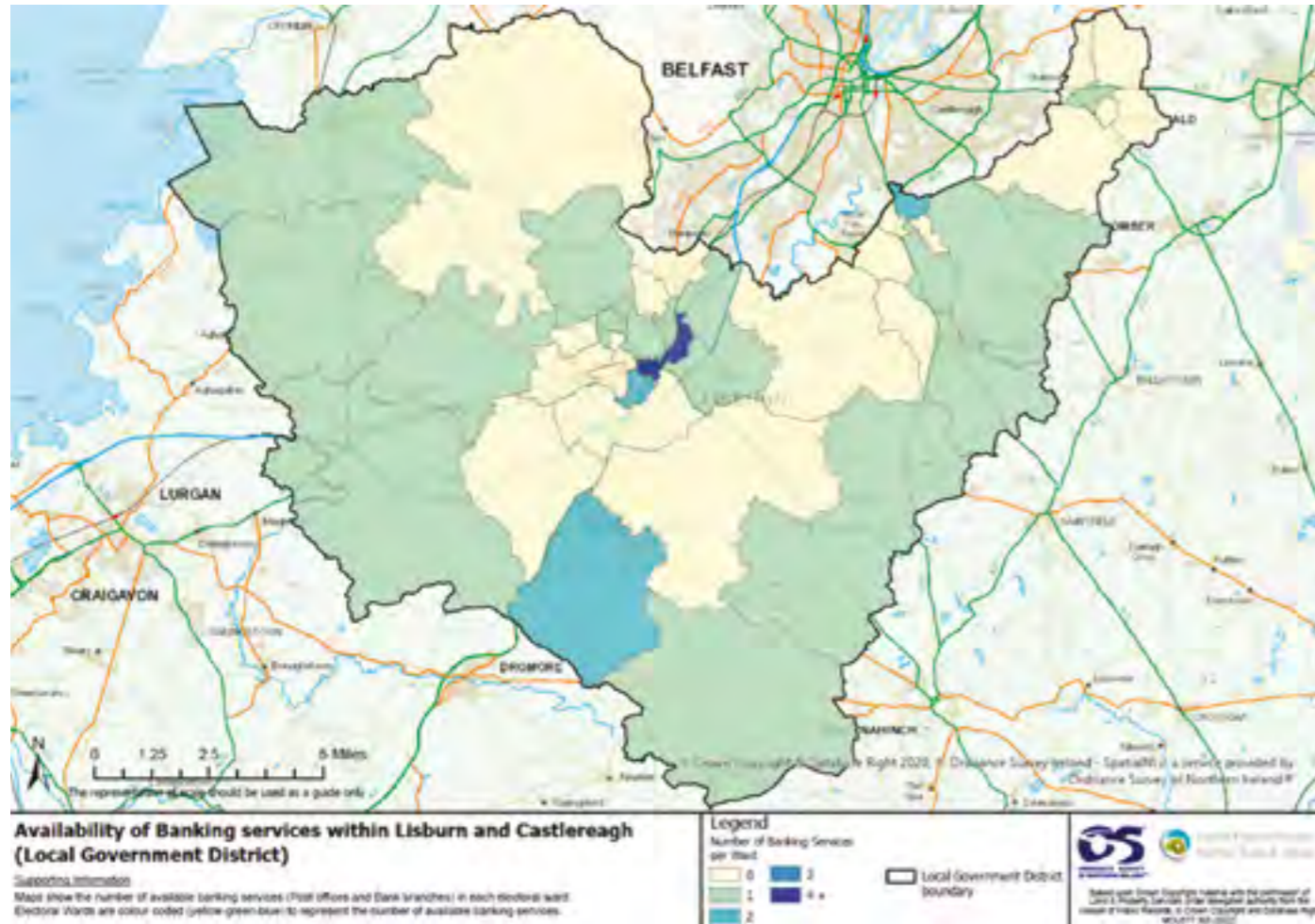
in this LGD live within 1km (using road distance) of a banking service. This rises to 60.3% for 2km and 90.6% for 5km. Nearly half (49%) of the population here live in rural areas, less than a quarter of whom (22.9%) have access within 1km, and just 39.9% of the rural population have access within 2km.

Table 11: Armagh, Banbridge & Craigavon LGD Geographical Analysis

Armagh, Banbridge & Craigavon (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	34.8	60.3	90.6	97.5
Urban	47.1	81.3	96.5	99.3
Rural	22.9	39.9	84.8	95.7
Urban Deprived	77.5	96.7	99.1	100

⁴⁰ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 7: Availability of banking services within Lisburn & Castlereagh LGD



Map 7 above shows the availability of banking services within the Lisburn & Castlereagh LGD. Only four of the 40 electoral wards have more than 1 banking service within its boundary. As can be seen in Table 12 below, just 32.7% of the population of the Lisburn & Castlereagh LGD lives within 1km

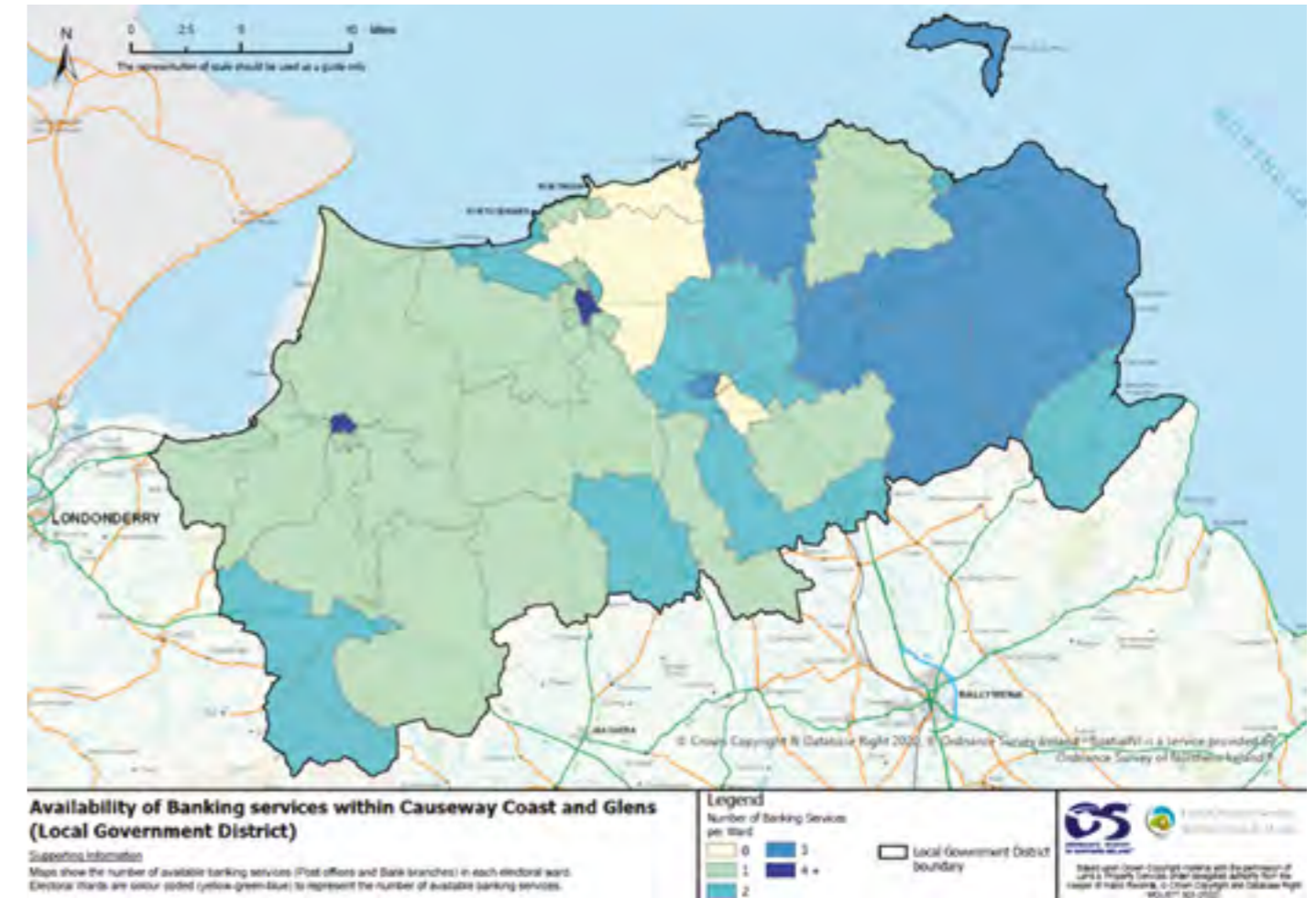
(using road distance) of a banking service. This rises to 64.7% for those living within 2km and 93.6% within 5km. This is a predominantly urban LGD with 65% of people living in urban areas⁴¹, but only half (50.8%) of those who live in urban deprived areas here have access to a service within 1km.

Table 12: Lisburn & Castlereagh LGD Geographical Analysis

Lisburn & Castlereagh (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	32.7	64.7	93.6	99.6
Urban	40	80.3	100	100
Rural	21.1	40	83.4	99
Urban Deprived	50.8	90.8	100	100

⁴¹ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 8: Availability of banking services within the Causeway Coast & Glens LGD.



Map 8 above demonstrates the availability of banking services within the Causeway Coast & Glens LGD. As we can see from Table 13 below, just 31.5% of the population of the Causeway Coast & Glens LGD live within 1km (using road distance) of a banking service. While 59.8% live within 2km and 81

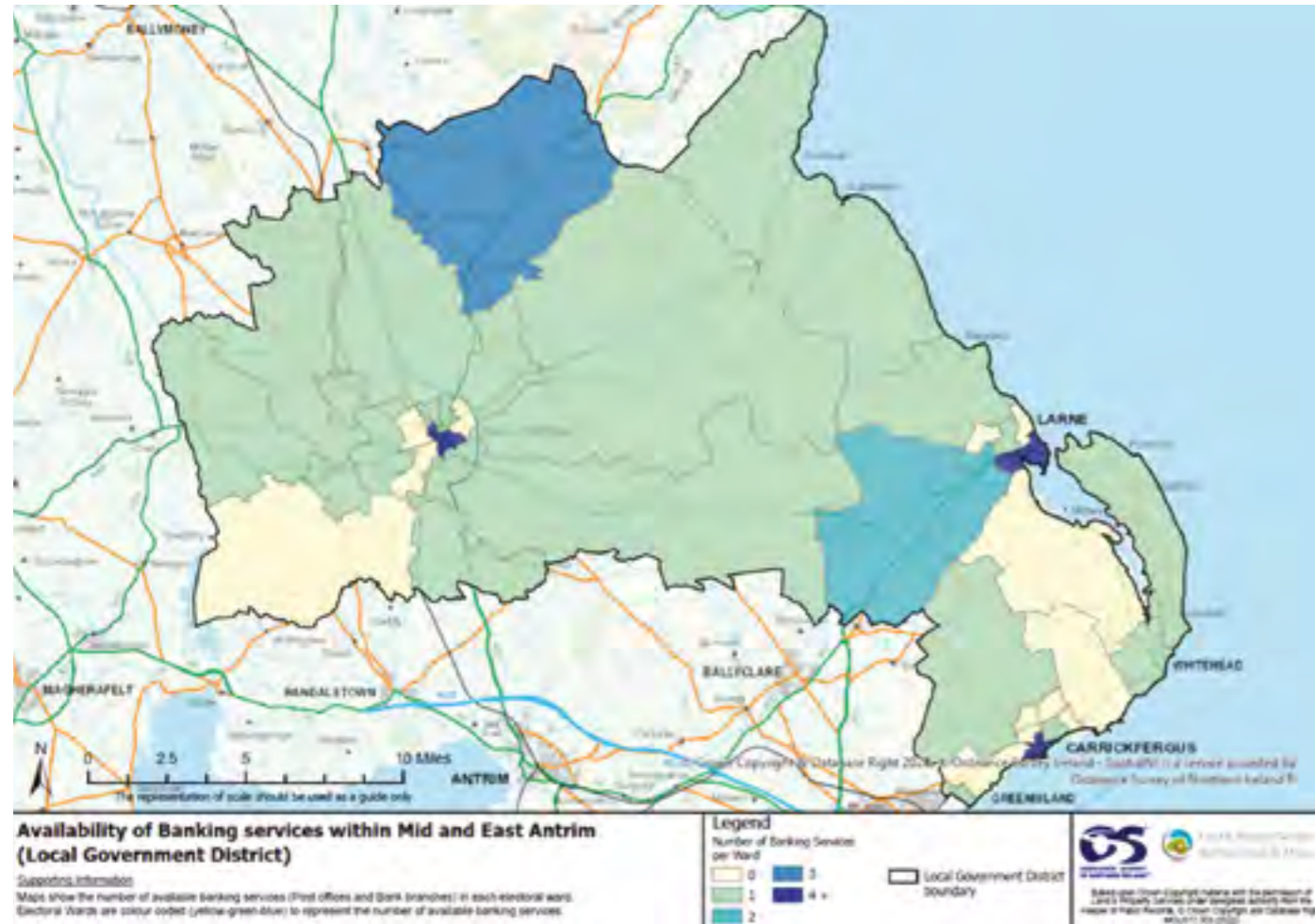
within 5km. More than half (53%) the population of this LGD live in rural areas⁴² and just 20.2% of these people are within 1km of a banking service, with 41.1% within 2km. While over a quarter (27.7%) of people living in rural areas here are more than 5km of a banking service.

Table 13: Causeway Coast & Glens LGD Geographical Analysis

Causeway Coast & Glens (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	31.5	59.8	81	95.9
Urban	54.4	97.9	98.7	99.3
Rural	20.2	41.1	72.3	94.2
Urban Deprived	90.5	96.9	100	100

⁴² NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 9: Availability of banking services within the Mid & East Antrim LGD



Map 9 above demonstrates the availability of banking services within the Mid & East Antrim LGD. As can be seen in Table 14 below, just 30.5% of the population of the Mid and East Antrim LGD live within 1km (using road distance) of a banking service. While 60.3% live within 2km and 88.9% within 5km. The population makeup of this LGD

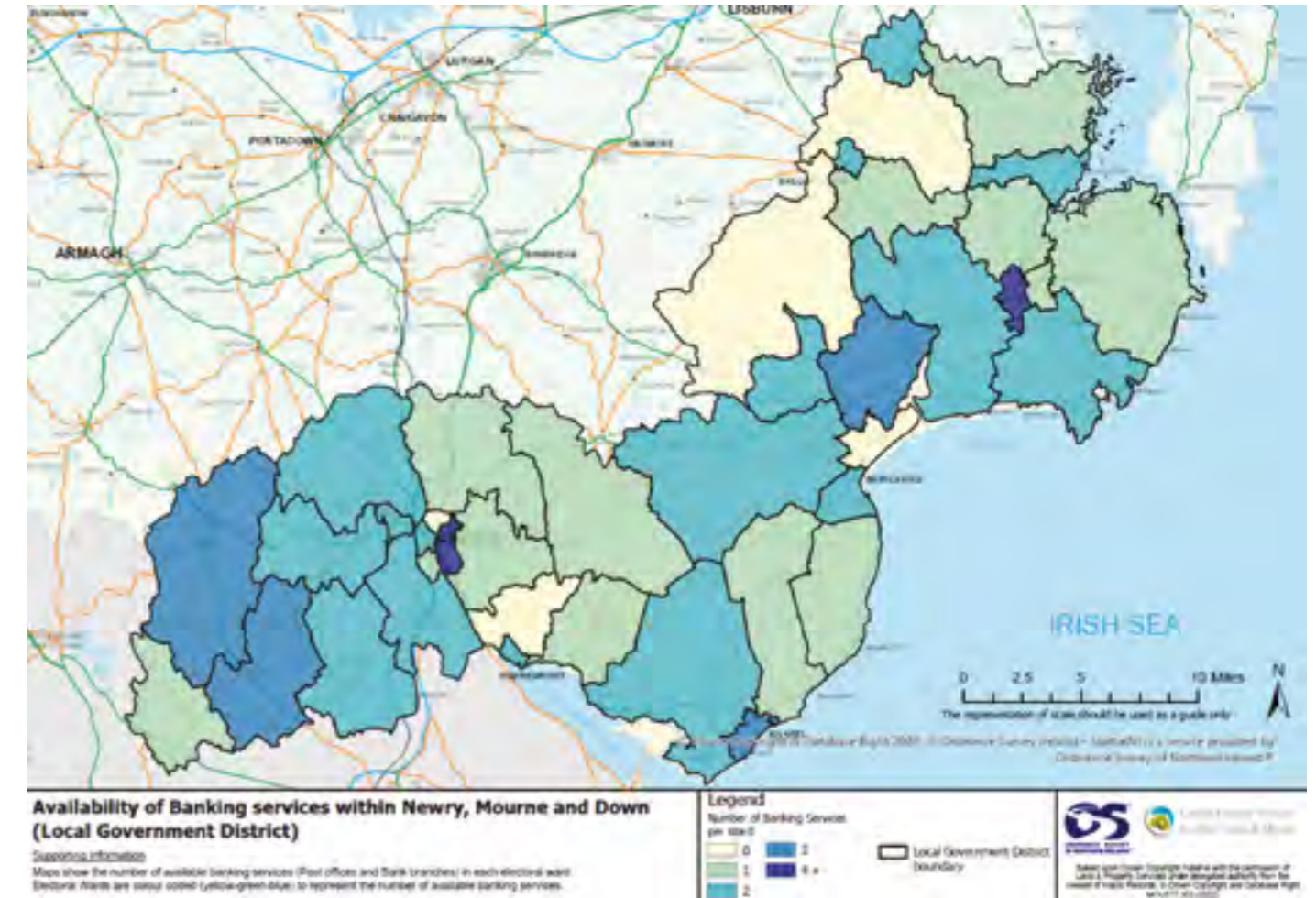
is 60% urban residents and 40% rural⁴³. However, just 62.3% of those living in urban deprived areas have access to a banking service within 1km, while this figure is only 18.7% for people living in rural areas. Indeed, almost a quarter (24.3%) of the rural population of this LGD live more than 5km away from a banking service.

Table 14: Mid & East Antrim LGD Geographical Analysis

Mid & East Antrim (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	30.5	60.3	88.8	97.6
Urban	39.8	77.1	99.1	100
Rural	18.7	38.7	75.7	94.5
Urban Deprived	62.3	95.5	100	100

⁴³ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 10: Availability of banking services within the Newry, Mourne & Down LGD.



Map 10 above demonstrates the availability of banking services within the Newry, Mourne & Down LGD. As can be seen in Table 15 below, only 26.4% of the population here live within 1km (using road distance) of a banking service, with just over half (51.3%) within 2km and 85.2% within 5km.

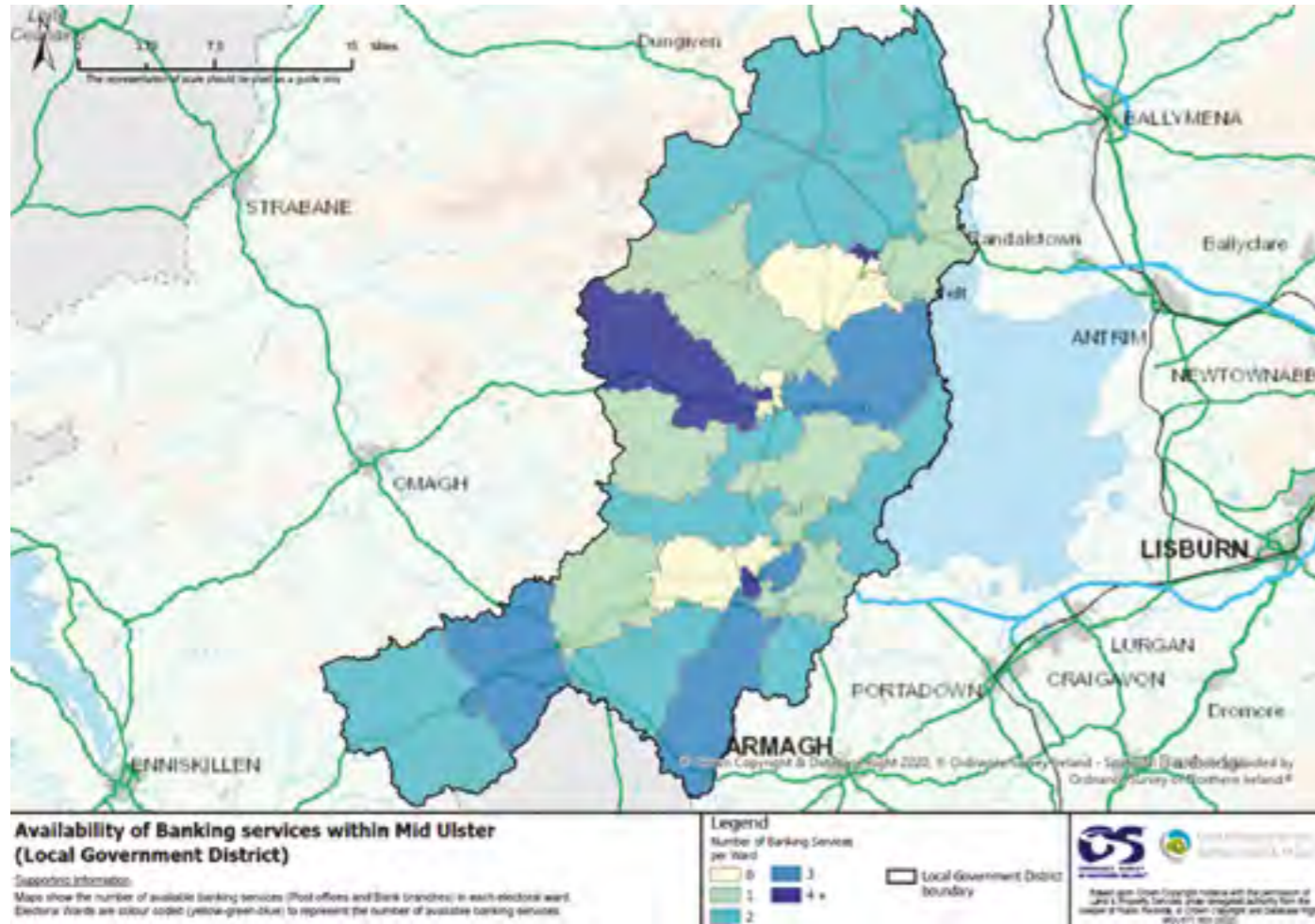
This is a predominantly rural LGD with 61% of the population living in rural areas⁴⁴. Just 23.3% of these people have access to a banking service within 1km. This figure is 43.6% for those living within 2km of a banking service, while 17.2% live more than 5km away from one.

Table 15: Newry, Mourne & Down LGD Geographical Analysis

Newry, Mourne & Down (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	26.4	51.3	85.2	94.5
Urban	37.3	78.3	93.8	97.6
Rural	23.3	43.6	82.8	93.7
Urban Deprived	64.4	95.9	100	100

⁴⁴ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 11: Availability of banking services within the Mid Ulster LGD.



Map 11 above demonstrates the availability of banking services within the Mid Ulster LGD. As we can see in Table 16, just 23.3% of the population here live within 1km of a banking service (using road distance), while only 47.6% live within 2km and 84.7% are within 5km. This is the most rural of LGDs

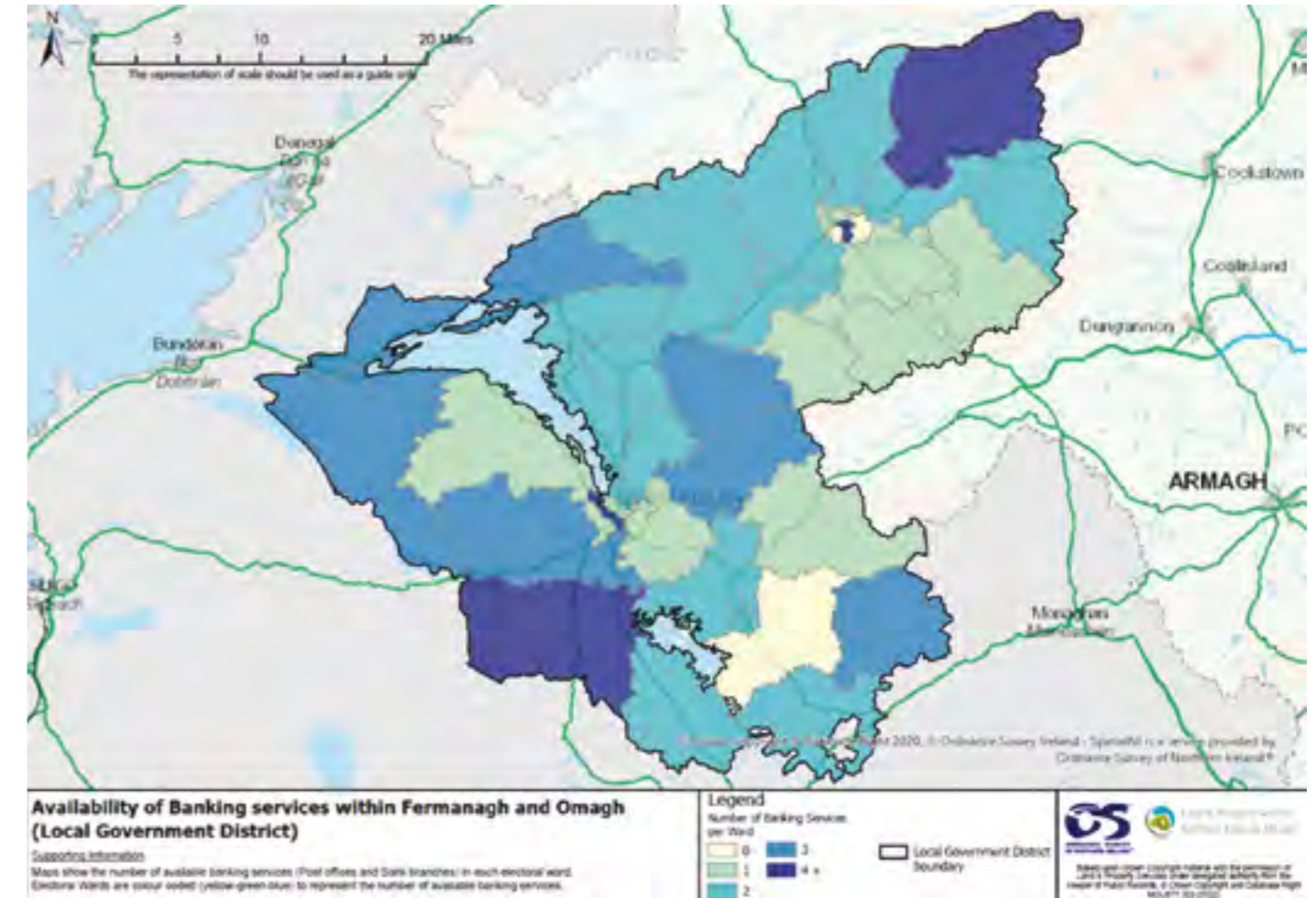
in Northern Ireland, with 71% of the population living in rural areas⁴⁵, yet only 17.8% of these people live within 1km of a banking service, and only 38% do so within 2km. 19% of those living in rural areas in this LGD are more than 5km from a banking service.

Table 16: Mid Ulster LGD Geographical Analysis

Mid Ulster (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	23.3	47.6	84.7	96.2
Urban	45.8	87	100	100
Rural	17.8	38	81	95.2
Urban Deprived	81.1	100	100	100

⁴⁵ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Map 12: Availability of banking services within the Fermanagh & Omagh LGD.



Map 12 above demonstrates the availability of banking services within the Fermanagh & Omagh LGD. Fermanagh & Omagh has the worst figures for accessibility to banking services of all the LGDs in Northern Ireland. As we can see in Table 17 below, just 21.5% of the overall population here live within 1km of one. Similarly, the figure for those within 2km is also the least (44.9%) and just 81.9% live within

5km. It is also one of the most rural LGDs in Northern Ireland with 70% of people here living in rural areas⁴⁶. However, only 11.5% of the rural population in this LGD live within 1km of a banking service and only 30.7% live within 2km. Similarly, almost a quarter (24.6%) of those living in rural areas here are more than 5km away from a banking service.

Table 17: Fermanagh & Omagh LGD Geographical Analysis

Fermanagh & Omagh (Using road distance)	Population within 1km (%)	Population within 2km (%)	Population within 5km (%)	Population within 16km (%)
Total	21.5	44.9	81.9	95.5
Urban	45.9	79.2	97.8	97.8
Rural	11.5	30.7	75.4	94.5
Urban Deprived	69	93.9	100	100

⁴⁶ NINIS: Northern Ireland Neighbourhood Information Service (nisra.gov.uk) Table CT0266NI: Usually Resident Population and Households classified according to Urban and Rural definitions (2015)

Appendix B - Consumer Survey Questions

1. **During the last 12 months, how often have you used any of the following services at a post office?** - Withdrawing cash from bank account
2. **During the last 12 months, how often have you used any of the following services at a post office?** - Paying in cash/cheques to personal bank account
3. **During the last 12 months, how often have you used any of the following services at a post office?** - Checking your personal banking balance
4. **During the last 12 months, how often have you used any of the following services at a post office?** - Other personal banking services
5. **To what extent are you satisfied or dissatisfied with your local post office in terms of...?** Privacy
6. **To what extent are you satisfied or dissatisfied with your local post office in terms of...?** Queuing
7. **To what extent are you satisfied or dissatisfied with your local post office in terms of...?** - Customer service
8. **To what extent are you satisfied or dissatisfied with your local post office in terms of...?** - Staff knowledge about the services you use
9. **How important or unimportant is it for Banks to?** - Tell you about changes to opening hours in advance of the change
10. **How important or unimportant is it for Banks to?** - Tell you about a temporary service interruption
11. **How important or unimportant is it for Banks to?** - To get feedback before it reinstates local service delivery in your area
12. **How important or unimportant is it for Banks to?** - To consult with you and the local community before a decision is reached about the permanent closure of a branch
13. **How important or unimportant is it for Banks to?** - To consult with you and the local community before a decision is reached about the permanent relocation of a branch
14. **In the last three years has your local Bank branch closed (not because of the pandemic but for other reasons)?**
15. **And what impact, if any, did this closure have on you and your local community?**

Appendix C - Ulster University Focus Group Research Methodology and Literature Review

This research follows a qualitative design that includes a literature review, scoping of international practice and primary data collection through semi-structured interviews and focus groups with a broad range of bank users across Northern Ireland. Particular attention was paid to including older and more potentially vulnerable participants as highlighted within the Terms of Reference of the research.

In total, researchers conducted eight focus groups and seven one-to-one interviews across eight local council districts in Northern Ireland ensuring that 79 people (22 men and 57 women) between the ages of 15 and 90 participated in the research study.⁴⁸ We would suggest that the higher rates of female involvement are likely associated with the gendered demographic balance of the charity and voluntary sector more generally (Lanfranchi and Narcy, 2013);⁴⁹ and particularly the community organisations, volunteers and senior citizen support groups who agreed to take part in this research.

Semi-structured interviews were chosen as the most appropriate means of gathering data, rather than the structured or open life-history interview which tends to be unstructured (Rubin and Rubin, 1995).⁵⁰ Semi-structured interviews were preferred since they retain enough structure to allow comparison across the dataset, while at the same time are flexible enough to allow interviewees to steer the conversation towards topics that they believe to be relevant, as opposed to solely discussing what the interviewer feels is important (Sarantakos, 2013).⁵¹ This is important in addressing the power dynamics which are inherent across any interview-interviewee context.

In addition, case studies have been developed to outline the experiences of some participants in accessing banking services. These case studies have been anonymised (with participants assigned a randomised pseudonym) and are interspersed amongst the discussion of findings. These case studies cover a myriad of issues that are intended to be illustrative, rather than exhaustive, of the barriers and issues associated with accessing banking services across Northern Ireland.

It should be noted that all interviewees were guaranteed anonymity and confidentiality. With the prior informed and written consent of interviewees (Bryman, 2012),⁵² all interviews were digitally recorded (or via the record facility on Zoom) to enable attention to be devoted to listening rather than writing notes (Bucher et al., 1956),⁵³ as well as allowing for an in-depth transcription and more robust analysis of verbatim comments from both interviewer and interviewee (Gordon, 2012).⁵⁴ Selected verbatim quotations from focus group and interview material are drawn upon in the findings section of the report. Interviewees have been assigned the designation FP (female participant) or MP (male participant) and a random number throughout the research findings section.

The audio recordings and transcriptions allowed the researchers to draft up a report based upon the key themes emerging from the research. Computer Assisted Qualitative Data Analysis software (CAQDAS) in the form of NVivo 12 was utilised to code, organise and analyse the interviews (Bazeley and Jackson, 2014).⁵⁵ This software allows for a more efficient coding of themes into differing categories (nodes) which can then be analysed vis-à-vis one another to explore possible connections between the data (ibid.).⁵⁶

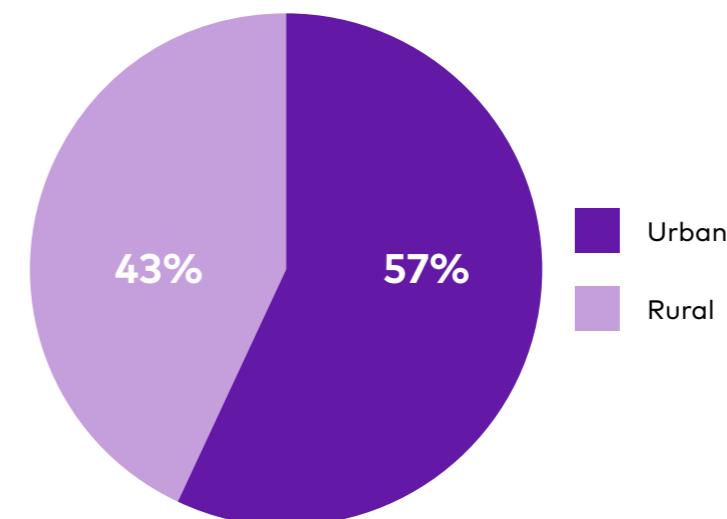
All participants were asked to complete an anonymous monitoring form (see annex for more information). The purpose of the monitoring form was to enable researchers to analyse in greater detail participant responses based on a number of key demographic factors. This was considered important in order to meet the overall aims and objectives of the study, particularly in terms of assessing any differences in the extent and challenges of bank closures across various geographically and culturally distinct communities. As such, it offers a snapshot of when, where and how access to banking impacts upon communities.

Table 18: Demographic Profile of Research Participants

Location	Type of engagement	Age range of Participants	Men	Women	Total
Antrim and Newtownabbey	Focus Group	50-75	12	1	14
	Interview	55-60	1	0	
Ards and North Down	Focus Group	40-85	5	3	8
Belfast City Council	Focus Group	40-65	0	9	15
	Focus Group	45-65	0	6	
Causeway Coast and Glens	Focus Group	38-53	0	5	5
Derry City and Strabane	Focus Group	30-60	0	11	13
	Interview	50-55	1	0	
	Interview	40-45	1	0	
Mid and East Antrim	Focus Group	62-90	0	12	13
	Interview	50-55	0	1	
Mid Ulster	Interview	18-20	1	0	1
Newry, Mourne and Down	Focus Group	15-70	0	8	2
	Interview	60-65	1	0	
	Interview	70-75	0	1	
Total			22	57	79

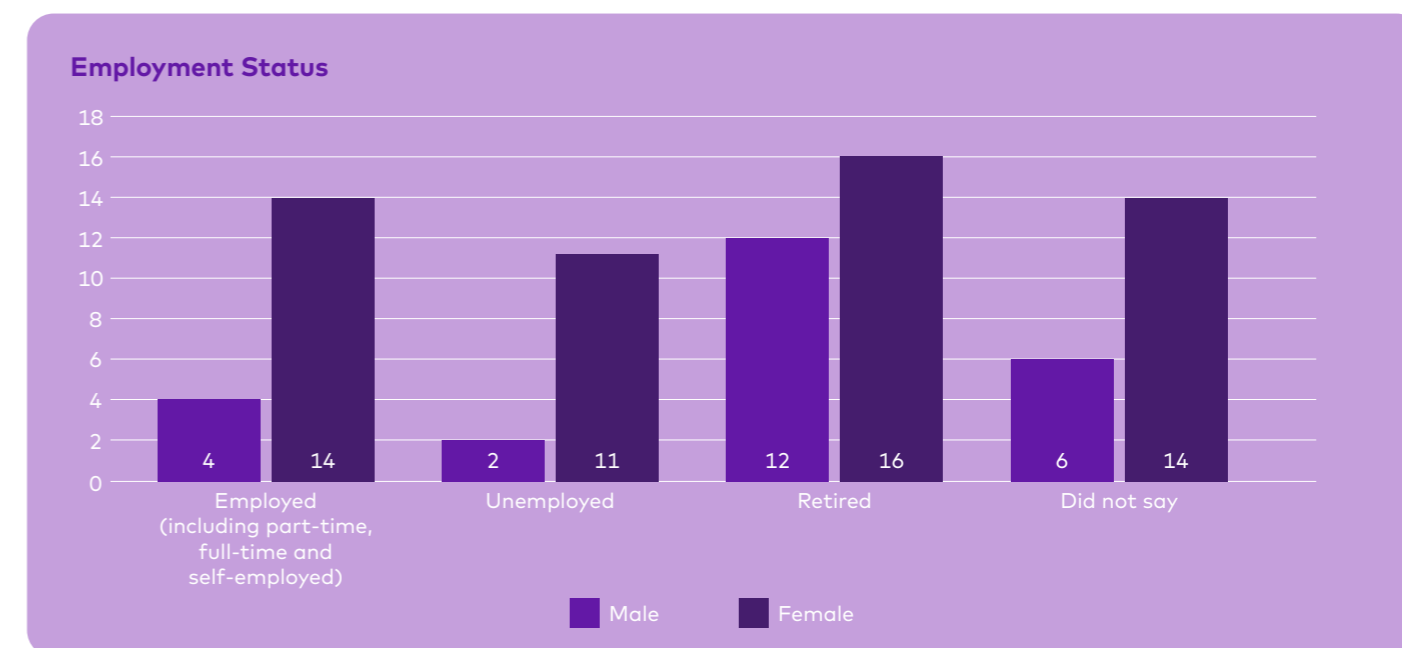
As evidenced by figure 2 below, 45 participants (57%) identified as coming from a rural community and 34 (43%) as living in an urban setting.

Figure 2: Research Participants by Geographic area
Participants by geographic area



As figure 3 below highlights, 18 participants (23%) were either in full-time or part-time employment or were self-employed. A further 13 interviewees (16%) were unemployed.

Figure 3: Research Participants by Employment Status



⁴⁷ In one focus group a 15 year old female attended with her mother. Six of the focus groups were conducted on a face-to-face basis, two were conducted via the online platform zoom. Three individual interviews were conducted in a face-to-face basis, three were via Zoom.

⁴⁸ Lanfranchi, J., and Narcy, M. (2013) 'Female Overrepresentation in Public and Nonprofit Sector Jobs: Evidence from a French National Survey,' *Nonprofit and Voluntary Sector Quarterly*, Vol.44(1), pp.47-74.

⁴⁹ Rubin, H.J., and Rubin, I.S. (2005) *Qualitative Interviewing: The Art of Hearing Data*. Thousand Oaks, CA: Sage.

⁵⁰ Sarantakos, S. (2013) *Social Research*. 4th ed. First published, 2004. Hampshire and New York: Palgrave Macmillan.

⁵¹ Bryman, A. (2012) *Social Research Methods*. 4th ed. Originally published, 2001. Oxford University Press.

⁵² Bucher, D., Fritz, C.F., and Quarantelli, E.L. (1956) 'Tape recorded interviews in social research', in, Fielding, N. (ed., 2003), *Interviewing: Volume Three*. London, California, New Delhi: Sage.

⁵³ Gordon, C. (2012) 'Beyond the observer's paradox: the audio-recorder as a resource for the display of identity', *Qualitative Research*, Vol.13(3), pp.29-317.

⁵⁴ Bazeley, P. and Jackson, K. (2014) *Qualitative Data Analysis with NVIVO*. 2nd ed. First published, 2007. Los Angeles, London, New Delhi, Singapore and Washington: Sage.

⁵⁵ Bazeley, P. and Jackson, K. (2014) *Qualitative Data Analysis with NVIVO*. 2nd ed. First published, 2007. Los Angeles, London, New Delhi, Singapore and Washington: Sage.

5. Employment Status

Please tick the box that applies to your current circumstances

- A carer
- In part time employment
- In full time employment
- Self-employed
- Retired
- Unemployed

6. Mobility and Transport

What type of transport do you usually use to access amenities in your local area?

- Walking
- Bicycle
- Car
- Bus
- Train

7. Mobility and Transport

Do you have access to your own vehicle?

- Yes
- No

8. About your local area

What type of area do you live?

- Rural
- Urban

Question List

Establish the participants' user habits when banking.

1. Find out how the participants use their bank

- How often would you visit a bank branch to carry out banking or other services that you use the bank for?
- What are the most important transactions that you do there? Face to face, online banking, financial advice, loans, debt advice, advice on money management, access to ATM facilities etc?
- What facilities do you use most?
- How do you feel about banking online? Confident v not confident and why? What are the issues?
- Has COVID affected how you manage/access your personal banking/finances?
- How are you managing with your finances at the moment? Do you see future challenges? Why?

Explain the situation with 34 (18%) bank branches closing in the last 2 years.

2. Find out how they feel about banks closing branches.

- Do you think that bank branch closures need to happen?
- Do you understand why they close branches?
- Is there an argument against banks closing branches?

3. Find out if they are aware of bank branch closures in their local area.

- Have you experienced a closure to your local or preferred bank branch?
- How has this affected you?
- How has this affected your community?
- What challenges has this created for you?
- What challenges has this created for the community?
- Do you think the bank was right to close your branch?
- How do you now access the products/services provided for by your bank?

4. Establish how they found out that a branch was closing nearby.

- Were you contacted by a bank to let you know a branch was closing?
- How do you feel about how the bank communicated their branch closure with you or the general public?
- Was the information the bank provided clear and easy to understand?
- Could the bank have done anything different?
- Did you find out in some other way?
- If so, how did that make you feel?
- How could banks better communicate with you on this issue?
- Do you think it's important to have a physical building to go in to to access a bank?

5. Find out how they reacted to the closure.

- What did you do when your bank closed?
- Did you make a complaint?
- If so, to whom?
- If so, what was the outcome?
- Did the closure change your banking behaviour? - Do you travel further to visit a branch? Visit your bank less often? Do you use alternative ways of banking as a result?
- Thinking about the important transactions you did at your bank branch – how do you do these now?
- How do you prefer to access cash?
- Do you use ATMs to access cash?
- If not, why not?
- If your local/preferred bank closed, did you stay with the same provider or did you change bank?
- How has this affected the local community?

6. While the issue of illegal money lending isn't a priority for this research, it may be possible to glean some information about how participants access credit at this point.

- Would you normally access credit from your bank branch?
- If your bank branch has closed, are you still able to access credit?
- What other sources are you using for credit?
- Do you know where to go to find out about borrowing money?

7. If their bank hasn't closed, ask hypothetical questions such as:

- If your bank branch were to close, how would this affect you?
- How would it affect your community?
- What about more vulnerable people – older people, those with a disability etc.?
- Do you think you would change bank if your branch did close?
- Would you look at alternative ways to do your banking?

When announcing branch closures, the banks provide customers with details of alternative ways to access their services:

- Online Banking
- Mobile APP
- Phone Banking
- Post Office branches

8. Find out which is their preferred way of banking.

- How do you prefer to do your banking?
- Can you explain why?
- Would you consider using an alternative?
- What alternative would work best for you?
- Why not use an alternative way to bank?
- Do you have any concerns about banking online?

Which? Research from November 2018 suggested that 47% of UK consumers were unlikely to use PO branches for banking in the future.**9. Find out their experience of visiting Post Office branches.**

- Do you ever visit a local Post Office branch?
- If so, what for?
- Is there a PO branch conveniently located to you?
- Is your local PO branch accessible?
- How do you find the quality of service you receive at PO branches?
- If you don't use your local PO branch, why is that?
- What needs to happen for you to consider using your local PO branch?

10. Find out if their experience of banking at PO branches.

- Are you aware that PO branches offer banking services? (Withdraw and deposit cash, balance enquiry, deposit cheques)
- Do you ever use Post Office branches to do your banking?
- What are your feelings about doing your banking at a Post Office branch?
- Would you be confident about banking at a PO branch?
- Do you have any concerns about PO staff and their ability to serve your banking needs? Why?
- Do you have any concerns about security when banking at a PO branch? Why?
- Do you have any concerns about privacy when banking at a PO branch? Why?
- Is confidentiality an issue when visiting a PO branch?
- Do you think PO branches are a fair solution to bank closures? Why?
- What other solutions would work for you?

PO branches provide banking services due to a commercial agreement with the banks. But this is not supported by legislation, meaning that banks could withdraw banking services from PO branches in the future.**11. Find out how participants would be affected if this was to happen.**

- What would you do if PO branches no longer provided banking services?
- Would you be happy using online banking services?
- Would you be happy using phone banking services?
- Would you miss having a real person to talk you through banking services?
- How would this affect the local community?



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