

Evidence from the Co-operative Bank

1. We welcome the Welsh Economy, Infrastructure and Skills Committee inquiry into access to banking in Wales and are delighted to respond to some of the questions the Committee has raised.

Access to Banking - Wales

2. We have around 150,000 retail customers in Wales. Predominantly those customers hold savings accounts with us and we have around 100,000 customers residing in Wales who are party to a savings account with us. Our customers in Wales have access to branches in Caerphilly, Cardiff High Street, Cwmbran and Newport Commercial Street. All four of our Welsh branches are open Monday - Friday 09.30 to 17.00 and our Cardiff and Newport branches are also open on Saturdays from 09.30 to 13.00. Our customers are also able to use the Post Office network to service their accounts with us. Customers' residing in Wales who use our branch network are typically over the age of 50. Around 70 per cent of our branch using customers in Wales are aged 50 years or older. Around 89 per cent of our customers who use our bank branches in Wales have been a customer for five years or more, and significantly 65 per cent have been a customer for more than 10 years. We have however, seen in the last two years that the number of customers residing in Wales who hold a savings account, current account, credit card or loan is reducing, but we've seen a recent increase in the number of Welsh customers that hold a mortgage with us.
3. We also have around 4,000 small business (SME) bank accounts held by 3,660 of our customers who are based in Wales.
4. We offer telephone appointments for all customers who are unable to visit a branch but who wish to speak to a colleague about their financial needs. We offer telephone appointments to enable customers to discuss their current products and apply for new ones, as well as offering a telephone service from 08:00 to 20:00 seven days a week so customers can discuss their general banking enquiries with us.
5. We have ATMs available in Wales that are free of charge for customers and consumers to use. Our three ATM machines are located in our Cardiff and Newport branches. However, we do not have ATMs at either our Caerphilly or Cwmbran branches. The network of ATM machines within our branches is owned and operated by Notemachine. Of course our customers are also eligible to use any ATM machines, including those provided by other banks and providers.
6. As you are aware, we closed some of our branches across the UK in recent years, which included a reduction in the number of branches in Wales. However we have no plans to reduce the size of our current branch network. Closure decisions were not taken lightly, and we committed to treating both our customers and colleagues with fairness and respect throughout these changes and our closures follow the Access to Banking Standard, and prior to that followed the Access to Banking Protocol. Our branch network remains an integral part of our overall customer service offering.
7. Our accounts can be serviced by our customers via the extensive Post Office network across the country and we also recognise the importance of investing in digital and self-service channels. Work has progressed at pace to provide our customers with new, innovative ways to service their accounts, and the low footfall we have seen in some branches is due to customers embracing other forms of banking through online and digital platforms. We launched our new mobile banking app to customers at the end of last year and we are continually reviewing the features this offers and listening to customer feedback to prioritise updates and new functionality for the app based on what customers are telling us they want to see.

8. Our customers' needs are paramount and we have done everything possible to ensure that they continue to receive the high levels of service that they expect from us.

Supporting customers in financial difficulty

9. Some of our customers encounter financial difficulties. In helping them to tackle this we often found our customers' financial problems are the tip of the iceberg; there can be a whole range of underlying factors that lead to obstacles in accessing financial services and therefore as a result individuals are financially excluded. From our significant experience, we understand that if the root problems are not resolved this type of situation is likely to re-occur.
10. In the past, when we identified a vulnerable customer¹, we would signpost them to organisations such as Citizens Advice as it was a trusted organisation that could support customers with a wide range of issues. However due to high demand for the services of Citizens' Advice we found our customers sometimes were unable to get through on the phone, or our customers were experiencing long wait times to be seen by advisers. We felt it was our responsibility to help our customers access this important service without adding to the already overburdened issue of demand within the sector. With this in mind, we set up a new focused partnership with Citizens Advice in October 2016 to pay for the resource that would service and support our customers.
11. This service provides our customers with a dedicated adviser who completes a holistic assessment of customers' needs to understand all of their issues, usually within 24 hours. Since this programme launched in October 2016, we have found that 58% of customers in financial difficulty have two or more issues that have led them to be in financial difficulty.
12. To date this partnership has managed £700,000 of debt; helped 1,105 customers resolve 2,579 problems and prevented 20 families from becoming homeless.
13. Our partnership with Citizens' Advice helps people navigate the sometimes confusing benefits system, helping them to get access to funds they might not know they were entitled to; providing face to face appointments in a local office where applicable and referring within their network for advice regarding debt, energy and housing.
14. We also recognise that technology can sometimes be a barrier to our most vulnerable customers which is why we are also working with Citizens Advice to support them in running digital workshops where Co-operative Bank colleagues volunteer to show people how to get online. Once they know the basics and how to access what they need, they are also shown how to check if they are on the right tariffs for other services, such as how to consider whether they should move energy suppliers to achieve a better deal.

Financial Abuse

15. In December 2015, The Co-operative Bank launched its 'My Money, My Life' campaign² in partnership with Refuge, a charity for women and children against domestic abuse. The campaign was based on the 'Money Matters'³ report compiled by academic and now founder of Surviving Economic Abuse charity Dr Nicola Sharp-Jeffs. The report was a combined study of over 4,000 adults with academic analysis and qualitative research interviews undertaken with 20 survivors of domestic abuse who had accessed Refuge's specialist services. From the findings of the report the scale of the issue of Financial Abuse in intimate relationships in the UK was highlighted for the first time. The Co-operative Bank and Refuge then launched the joint 'My Money, My Life' campaign in December 2015 to call for more to be done by the financial services industry to identify and support victims of financial abuse. [Please see Appendix for links to the campaign webpages].
16. An important ask of the 'My Money, My Life' campaign was for the financial services industry to come together with a Code of Practice that would ensure consistent levels of support for victims of financial abuse across all financial institutions. The industry did come together through UK Finance's vulnerable customers steering group and a specific sub group on financial abuse was formed and chaired by The Co-operative Bank until

the summer of 2018. The work of the Financial Abuse steering group led to a Financial Abuse Code Practice being launched on 10 October 2018.⁴

17. This new Code of Practice represents an important step forward and is a result of the finance industry working together to do our best to support vulnerable customers who have been the victim of financial abuse. An industry wide consumer information leaflet is also now available through all the organisations signed up to the Code of Practice.
18. We're proud to have spearheaded this collective action and will continue to work closely with UK Finance members, and other financial services providers, to ensure that financial abuse is quickly identified and that the right advice and support is then given to those who are often in very vulnerable situations.
19. Since the launch of the 'My Money, My Life' campaign there has also been progress in Government on the issue of financial abuse. The Government has included economic abuse in the definition of domestic abuse for the first time in the Domestic Abuse Bill.

Conclusion

20. All customers must have the appropriate access to financial services so that they receive appropriate support and can afford somewhere to call home, as well as their future and day-to-day expenditure. At the Co-operative Bank we believe it is the role of the financial service providers to make sure that all customers are supported and can be signposted to the right place to get help. We will continue our work with Citizens Advice and in the industry to make sure that consumers have the right access to financial services in the future.

Appendix:

¹The bank defines vulnerability as a customer who requires additional support or reasonable adjustments to ensure they receive a fair outcome when engaging with The Co-operative Bank's products or services, which is a consequence of permanent or temporary vulnerability. Our colleagues would be looking for triggers of potential vulnerability and would question to find out if there was a particular need.

² Co-operative Bank Financial Abuse Campaign information: My Money My Life: [Link](#)

³ Money Matters Report: [Link](#)

⁴UK Finance Financial Abuse Code of Practice: [Link](#)