

Debbie Crosbie
Chief Executive Officer



Rt Hon Mel Stride MP
Chair, Treasury Committee
House of Commons
London
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TSB Bank plc
20 Gresham Street
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05 August 2021

Dear Mr Stride,

Thank you for your letter on 15 July 2021 requesting information about TSB's bank branch network and our approach to closing branches.

TSB has the UK's seventh largest bank branch network serving over five million customers across Britain, alongside our digital and telephone banking services. We are committed to face-to-face services through a national branch network and continue to invest in new products, technologies, and services aimed at improving our customers' experience.

At the same time, we are reshaping the business to meet changing customer demands. Over 90% of our transactions are now being done digitally and over 67% of all our customers are now using mobile, online or telephone banking. Our recent [Money Confidence Barometer](#) research found that 95% of people who have used online banking more frequently during the pandemic expect to maintain the same level of usage when the pandemic ends. For TSB, meeting these changing needs means having the right balance between branches on the high street and our digital platforms to provide the best experience for our personal and business customers across the UK.

A decision to close a branch is never easy, and we are committed to supporting impacted colleagues and customers, in particular vulnerable customers, to continue to access banking services.

I have set out more detailed answers to each of your questions below.

1. Your current number of branches

TSB has 290 branches in England, Scotland and Wales. We are investing heavily in the branches with plans to refit over half of these branches this year, with more planned in 2022. We have provided enhanced training, accredited by the Chartered Banker Institute, for over 3,000 customer-facing colleagues to improve the customer experience.

2. Your number of branches that are the "last branch in town"

TSB classifies a last bank in town as a "branch more than 5 miles from another branch". Under this definition, TSB only has three branches which would be a "last branch in town".

3. Your number of mobile branches

TSB does not have any mobile van branches. However, following our branch closures this year, we have launched 38 pop-up services in communities across the country where it takes longer than 20 minutes to get to the nearest branch and have plans to launch a further five this year. These pop-up services provide customers with access to face-to-face non-cash banking support at least one day a week in a

local community space, such as a library or a community centre. They also support customers considering alternative ways to do their banking using our digital platforms, as well as the Post Office. TSB is also one of the banks participating in the Community Access to Cash Pilots (CACP), in Denny, Cambuslang and Hay-on-Wye, led by UK Finance and Natalie Ceeney.

4. What plans you have to maintain those branch numbers for the next three years

We remain committed to a national branch network. We keep the size and functions of our branch network under constant review so we can adapt it to changing customer behaviour.

5. The factors you consider when deciding to close a branch

We consider a range of factors when reviewing the size and functions of our branch network. These factors include, but are not limited to:

- Customer use of the branch and uptake of products and services.
- Proximity to the next nearest branch; broadband and transport connectivity in the local area.
- Volume of customers vulnerable to the impact of a closure.
- Proximity to the nearest Post Office and ATMs.

6. The consultation process you go through when you close a branch

TSB aligns its consultation on the impact of branch closures to the Access to Banking Standard, which the Lending Standards Board (LSB) oversees. We also consult the Financial Conduct Authority (FCA) on any closure plans as we develop them, and inform the LSB of our closure processes. These processes include:

- Publishing an impact assessment for the affected branch on our website at least 12 weeks ahead of closure. This information sets out the rationale for closure and details of where customers can access alternative services, including ATMs, other TSB branches, and the Post Office.
- Engaging with the Post Office in advance of announcing a branch closure to ensure the needs of our customers are met.
- Contacting local elected representatives and stakeholder groups when we announce branch closure plans to understand any concerns they might have about the closure and to work with them to help minimise the impact on vulnerable customers. These stakeholders include MPs, MSPs, MSs and councillors, as well as local chambers of commerce, and organisations such as the Federation of Small Businesses (FSB) and Citizens Advice.
- Capturing our engagement with these community representatives and groups in community engagement forms and publishing them on our website six weeks ahead of closure, in line with LSB requirements.

7. The support you provide to customers when you close a branch within a community

We proactively contact all impacted customers ahead of closing a branch, giving clear and relevant information on how to access banking services. We understand that some customers are especially vulnerable to the impact of branch closures which is why we provide additional tailored support to this group. This is fully aligned to the Access to Banking Standard and details are set out below.

a. In writing, in branch and on our website:

- **At the point of communicating a planned branch closure** we publish an impact assessment in branch and online detailing the nearest alternative branch, ATM and Post Office services. TSB is the only bank to include the direct telephone number for the nearest branch. At the same time we make available a guide that provides details of alternative ways to access banking services through digital, mobile, telephone banking and at the Post Office. It also sets out the tailored support we offer to customers vulnerable to the impact of closure.

- **12 weeks and six weeks ahead of closure** we send letters to customers who have transacted at the branch at least once over the past 12 months. This goes well beyond the current LSB guidance of three transactions over a six month period in the closing branch. These letters equip customers with a copy of the guide and also local information about their nearest branch, ATM and Post Office - as well as how they can bank with us online and over the phone. 12 weeks ahead of closure we also publish posters in branch, and on our website, giving details of the closure date and how to continue to access banking services.
- **Ahead of a branch closure** colleagues talk proactively to visiting customers and offer a one-to-one meeting to explain the support we offer and the alternative ways they can continue to access banking services. Our colleagues in branch will also help customers switch to another bank if a customer feels the measures we put in place are insufficient for their needs.

b. Tailored support for vulnerable customers:

- **We contact any customers who are vulnerable or potentially vulnerable** to the impact of closures to offer additional support and to agree tailored support as necessary. Over the course of our 2020/21 branch closure programme we have spoken to 80% of these customers by telephone.
- **After the closure of a branch** we send a post-closure letter to our vulnerable and potentially vulnerable customers. This is a reminder letter giving details of how we can help them further and encouraging them to contact us for support if it is needed.
- **Where a customer is particularly vulnerable**, our local branch managers will make a personal introduction to the Postmaster to facilitate the right level of support at the local Post Office. In the locations where we offer a pop-up service, we send vulnerable customers additional letters informing them about the new service and our branch colleagues continue to contact vulnerable customers for up to four weeks after the branch closes to support them with the transition.

I hope this gives you and the Treasury Committee a clear overview of TSB's bank branch network and our approach in managing any necessary branch closures.

Yours sincerely,



Debbie Crosbie
CEO, TSB Bank Plc