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I am writing in the wake of recent media coverage of bank branch closures and, in particular, increasing withdrawal from previous commitments not to close the 'last branch in town'.

I fully appreciate the need for all banks to respond to the pace of technological change, including as it affects their customers' banking habits. I also understand that this will require businesses to reconsider their branch footprint so it meets the reality of the changing business environment. But it is essential in that context for all banks also to reflect on not just their commercial objectives but also their wider social responsibilities. I welcome the engagement that the Economic Secretary to the Treasury has already begun on this issue and look forward to building on your conversation.

The great benefit of the 'last branch in town' commitments has been the reassurance it gives in particular to vulnerable consumers and isolated, rural communities. If the sector is now of the view that it needs to move on from those commitments, then it has a collective responsibility to consider what to put in their place to ensure that the banking needs of these customers continue to be met. I hope the sector will be able to come together to address that challenge as a matter of urgency and that HSBC will fully commit to supporting that work.

One option that should be given priority consideration is building on existing partnership arrangements with Post Office Ltd. As you will be aware, access is already possible to 95% of current accounts across the counter at more than 11,500 Post Offices, with free to use cash machines in many communities in the UK and a range of other financial services. And Post Offices are of course being maintained in communities which are seeing banks close, with continued investment in the branch network to make them sustainable in the long-term. I would encourage you to think about how to build on this, including how to address any additional financial and operational burdens on the Post Office.

As I say I consider this a collective challenge for the sector, one that I hope you will be able to rise to. If you would find it helpful, I am happy to bring together the leading banks and/or the BBA, together with the Post Office, to see how we can manage the transition from the existing network. I would ask, however, that you consider carefully what approach to take to the implementation of specific closures of any 'last branch' until this collective work has come to a conclusion.

I look forward to discussing this with you at our meeting in December.

A handwritten signature in black ink, appearing to be 'Vince Cable', written in a cursive style.

VINCE CABLE

Secretary of State for Business, Innovation and Skills