

HIGH STREET FEELING THE PINCH OF FEWER BRANCHES

- **Nearly half of shop owners say branch closures have hit their business**
 - **Branch closures cut annual revenue by a fifth**
- **One in four shops shutting in the past five years say financial branch closure contributed**

Nottingham, UK, 12 August 2018 - New research ⁽¹⁾ shows financial branch closures are piling the pressure on local high streets with nearly half (46%) of shop owners interviewed admitting that losing a local bank in the past three years has had a negative impact on their business.

The study for The Nottingham Building Society among shop owners in areas affected by closures found owners estimate their annual revenue fell by an average of 20% after their local bank branch shut its doors.

Just one in five shop owners interviewed in areas hit by branch cutbacks say the loss of the bank from the High Street had no impact on their sales.

Research ⁽²⁾ from The Nottingham shows the impact of branch closures on people visiting towns affected. Around 29% of people say they would visit their town or village less if their local branch closed with two out of five (40%) saying they would make three or more fewer visits a month.

Government figures ⁽³⁾ show 1,270 bank branches have shut since 2014 with 650 being axed between 2016 and 2017. This year has seen further closures announced by NatWest, Lloyds and Royal Bank of Scotland with a report commissioned last month by The Nottingham stating a further 2,400 more banks could close, risking 12,000 jobs.

The Nottingham's new research found one in four (24%) shop owners who have closed their businesses in the past five years say losing a local bank branch contributed to them going out of business.

The effects of branch closures are long-lasting, the research shows. More than half (54%) of owners interviewed in affected areas say they will have to take action over the next three years to address the fall in business. Nearly one in three (31%) say they will consider shutting and operating online while 15% are considering cutting jobs and 26% are considering moving their business either to a new area or to smaller premises nearby.

The society is campaigning to highlight the value of the bank branch to local towns and businesses and has doubled its network of branches to 67 over the past five years with the result that footfall has increased by around 10% potentially increasing visits to local shops.

Gary Womersley, Head of Branch Network for The Nottingham Building Society said: “Financial institutions play a major role in local high streets drawing customers to shops and boosting sales and business.

“This is particularly true in market towns, where much of our focus is placed. Sadly, there are now as many as 1,500 towns in the UK that used to have branches but no longer do⁽⁴⁾. In as many as eight towns, The Nottingham has a branch where there is no presence of the big four banking institutions.

“We’re seeing campaigns in the media calling for people to embrace their high streets and we fully back that but also recognise the need to evolve. Expert advice and great service is integral to the strength of our branch network supporting our unique ‘all-under-one-roof’ strategy that offers building society and estate agency services to our customers.”

To find out more about The Nottingham’s range of products and services, where its branches are based across the Midlands and its Member Reward scheme, visit <https://www.thenottingham.com>

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Notes to editors

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- ⁽¹⁾ 100 shop owners were interviewed online between April 5th and 20th 2018 by independent research company Consumer Intelligence
- ⁽²⁾ 1,078 people were interviewed online on March 23rd 2018 by the research company Consumer Intelligence. They represented the demographic profile of the UK
- ⁽³⁾ <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN00385#fullreport>
- ⁽⁴⁾ Campaign for Community Banking Services

About The Nottingham

The Nottingham is an award-winning building society and estate agency operating online and via its network, spanning 67 branches across 11 counties. The eighth largest building society in the UK by assets, with the fifth biggest branch presence, The Nottingham offers a broad range of building society services such as mortgages and savings as well as independent financial planning, whole-of-market mortgage advice and local estate agency services.

Founded in 1849, The Nottingham is a mutual building society owned by its members with a long and proud history of offering financial support and advice to local communities. Through its Doing Good Together programme, the Society has donated over £800,000 to help communities in its heartland prosper.

www.thenottingham.com