

Impact of Bank Closures

Wendy Graham

With the advent of cash machines, on-line channels and the telephone, much day-to-day banking does not need a traditional branch presence. However, if one wishes to open an account, change a name or an address or introduce new signatories on a business account, there is a need for an individual to go in person to a branch and provide documentary proof of identity: clearly a good thing, as it reduces the risk of account takeover fraud. As the branch networks shrink, it's harder for individuals to meet this requirement and I think it's an area where the banks need to find a way in which individuals and businesses can meet these requirements within their own localities.

As the branch networks shrink and online channels come to the fore, there is more opportunity for online and telephone scams, which can be very sophisticated. How does one verify that a telephone call or a text truly is from a bank and not from a fraudster masquerading as the bank? It is not inconceivable that public trust in online and telephone banking will be diminished in the future by experience of such scams and there will be a strong desire to be able to go into a branch and talk to a human being who is 100% sure to be a genuine bank employee.

I feel that the banks are overly reliant on internet banking just now and they need to develop a new type of face-to-face banking network, which can address the banks' need to be able to prove customers' identity and the customers' need for reassurance that they're really talking to a bank employee, plus deal with the challenges faced by an ageing population

This could involve increasing the number of mobile banking units and having them visit not only the communities which have lost a branch, but also smaller places in the surrounding areas.... rather like a rural library bus! If the mobile units could visit places where people live, or socialise: retirement flat complexes, village halls, community centres, bingo halls, it would help with ancillary issues.... being unable to get to the main community at a time when the bank van is there, because of bus timetabling or a total absence of public transport. I'm also not suggesting that mobile banks should be limited to rural towns and their hinterlands: they're equally appropriate to suburbs and small central belt towns.

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