

## **Impact of Bank Closures**

### **The Scottish Licensed Trade Association**

The Scottish Licensed Trade Association represents the interests of Scotland's Licensed On-trade (Pub, Hotels and Bars), particularly within the independent sector.

The Association is extremely concerned at the continuing bank closures that are taking place in Scotland, particularly in rural areas. In the last 30 years bank closures have seen more than half of branches close down and the continuing reduction in services is having a negative impact on small independent pubs and bars, and we assume other businesses, particularly in rural areas.

From a licensed trade perspective our main concern is the need for relatively easy access to cash. It must be remembered that, whilst there are a number of payment options that can be made available to customers using today's technology, this business sector continues to operate using a high level of cash transactions. Bank closures raise challenges for such businesses, particularly in terms of cash availability and security in transporting cash to and from banks based in distant locations. Pubs and bars need relatively easy and quick access to cash to run their businesses in an efficient manner. As already mentioned there are other payment methods that can be used, but the cost of electronic transactions can restrict the use of such payment methods.

The only alternative to banks is the Post Office, for depositing and withdrawing cash, it does not provide the same level of service as a bank. However, Post Office branches have also disappeared from our high streets and it would appear that further closures will be inevitable.

Tourism is one of Scotland's major growth industries, despite all the difficulties businesses in this sector are facing in today's economic climate. Bank closures, particularly in rural areas, will only hinder the efforts of the tourism industry, including pubs, bars and hotels, to continue to deliver the services needed for a buoyant tourism sector.

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