



Gordon Lindhurst MSP  
Economy, Energy and Fair Work Committee Convener,  
The Scottish Parliament  
Edinburgh  
EH99 1SP

28 February 2020

Dear Mr Lindhurst,

Thank you for contacting me for an update on following the evidence I gave to the Economy, Energy and Fair Work Committee's 'Impact of bank closures inquiry' in 2018.

You asked for an update on whether Santander works with local communities to identify best use of empty bank buildings. When Santander closes a branch, our priority is to return the property to long term use through the sale of the freehold or the return of the building to the leaseholder, rather than leave the property empty. Doing this provides the best sustainable long-term solution by putting the property back into use with a committed owner or tenant. Over the past 12 months Santander has sold the freehold or returned the lease of 15 properties. If we cannot surrender a leasehold of a closed branch early then we will consider sub-letting the property where permitted and if the contract is of sufficient time to make this a practical option.

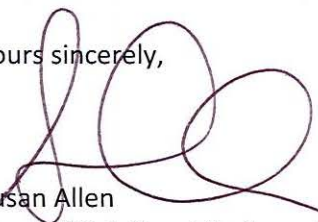
We do not currently provide local communities with the opportunity to make use of empty bank buildings as there are several impediments to making this work effectively. In particular, as our focus is on the disposal of the building, we cannot provide a community group with a guarantee on how long they will be able to use the building for. This limits the amount of investment they can make in the building and could leave them having spent money on renovations only for the building to be later sub-let to a commercial tenant.

You also asked about our consideration of mobile branches. When Santander closes a branch, we are careful to ensure that there is an alternative means of customers being able to access banking nearby. The Post Office's large footprint has meant that they are most often the closest alternative. For example, in January 2019 we announced that 15 Scottish branches were to close, all of which had a Post Office within half a mile – many on the same street. Therefore, whilst we have considered introducing mobile branches when closing branches, in all recent cases of branch closures the Post Office has been the most suitable alternative means of accessing over the counter banking for customers, whilst a mobile branch service would offer only limited service availability.

We recently carried out research to understand how our customers that use the Post Office felt about conducting their banking there and found that 9 in 10 were satisfied with their experience – similar to our branch and online banking satisfaction ratings. Key to this satisfaction rating is the convenient, local, everyday access provided by the Post Office, something that a mobile branch would not be able to offer. I feel that this is a good indication that customers are receiving the service that they expect from the Post Office and that we have the right alternative counter banking access available to customers following a branch closure.

I hope that this letter is helpful and if I can be of any further assistance please do let me know.

Yours sincerely,



Susan Allen  
Head of Retail and Business Banking