



APPG on Future Financial Services

Meeting on Access to Banking inquiry and AGM

Date: Tuesday 5th March 2024

Time: 2pm

Venue: Room T, Portcullis House

Attendees: Rt. Hon Dame Karen Bradley MP – Co-Chair
Lord Sharkey – Co-Chair
Sarah Dines MP
Rt. Hon Dr Therésè Coffey MP
Heather Wheeler MP
Lord Mountevans
David Spencer – Secretariat
Harvard Hughes (Remote) – Secretariat

Apologies: Christine Jardine MP
Lord Haskell
Jo Gideon MP
Richard Thomson MP

Minutes:

1 Introductions – Co-Chairs – Rt. Hon Dame Karen Bradley MP and Lord Sharkey

Karen Bradley MP and Lord Sharkey opened the meeting and thanked everyone for attending.

2 Election of Co-Chairs & Officers

Rt. Hon Karen Bradley MP (Con) and Lord Sharkey (Lib Dem) were proposed as co-Chairs of the APPG for Future Financial Services by Sarah Dines MP and seconded by Rt. Hon Dr Therésè Coffey MP.

The proposal was unilaterally supported, and Rt. Hon Karen Bradley MP (Con) and Lord Sharkey (Lib Dem) were elected as Co-Chairs of the APPG for Future Financial Services.

Lord Haskell and Sarah Dines MP were proposed as officers of the APPG by Rt. Hon Dr Therésè Coffey MP and seconded by Heather Wheeler MP.

The proposal was unilaterally supported and Lord Haskell and Sarah Dines MP were elected as officers of the APPG.

It was agreed, as in the previous AGM, that additional membership of the group will include those members signed up for the groups mailing list. Rt. Hon Dr Therésè Coffey MP asked to be included in the APPGs membership list.



3 Re-appointment of Secretariat

It was proposed by Rt. Hon Karen Bradley MP and seconded by Lord Sharkey that the Future Financial Forum, an entity owned and controlled by Barndoor Strategy, should continue in its role as Secretariat.

The proposal was unilaterally supported, and the Future Financial Forum will continue as Secretariat of the APPG.

4 Income and Expenditure

It was noted that there had been no income or expenditure since the previous AGM and therefore the APPG was not required to submit an Income and Expenditure statement at this time.

5 Access to Banking Inquiry

There was a detailed discussion about the upcoming APPG inquiry into Access to Banking and the draft Terms of Reference which were circulated to all participants.

Lord Sharkey asked about the role that the Payment Systems Regulator (PSR). Havard Hughes that the PSR did have a role, in particular to some challenger institutions when it came to using technology based payments platforms to substitute for traditional banking and cash transactions. It was also noted that the PSR had recently reached out to the APPG following previous engagement and we will seek their involvement in this inquiry.

Rt. Hon Dr Therèse Coffey MP noted that recent data showed that Barclay's branch network had shrunk by 78% over the past decade. She shared a graph showing that almost all banks had shrunk their networks by 50% or more and even the best performing (Nationwide) had lost 20% of its branch network.

How the banks match up

Number of branches in October

Bank	2013	2023	Loss ▼
Barclays	1,577	346	78.1%
HSBC	1,159	333	71.3%
TSB	631	211	66.6%
NatWest	1,391	485	65.1%
Santander	1,186	443	62.6%
Virgin Money	330	130	60.6%
Lloyds	1,297	599	53.8%
Bank of Scotland	294	161	45.2%
Halifax	662	477	28%
Nationwide	757	605	20.1%

Table: The Times and The Sunday Times • Source: Nationwide



Sarah Dines MP noted the circumstances in the Peak District where she is an MP. There is now no bank branch in the whole of the Peak District.

She raised concerns about the methodology for closing branches and referenced a conversation with Lloyds Bank where they explained the figures they reached on branch usage was based on highly complex repeat visits by individuals and not the overall usage of the branch. She also noted that distances to justify closures were measured as the crow flies and in rural areas like hers this was at odds with reality for many people.

She further noted that online banking doesn't work in every circumstance and for things like probate it is much easier to sort things out face-to-face in a branch. Branches can also be essential for small businesses and those who rely on cash as well as farmers in rural areas.

Lord Mountevans asked whether free banking had a role to play and also raised the role of large banks alongside smaller challenger institutions and credit unions. He also raised the role of the Post Office and whether this was an opportunity for them. Lord Sharkey asked who provided their banking license at the moment.

Lord Sharkey raised the prospect of whether branch availability should be imposed on banks and then also questioned the speed with which banking hubs were being rolled out. He noted that campaigns in Parliament had scrapped the potential phasing out of cash and he hoped this inquiry could have a similar impact.

It was agreed to amend the Terms of Reference for the inquiry in line with the draft document and then write to institutions and other stakeholder to seek written submissions.

The APPG will then hold an evidence session and a report will be launched in the summer at a Parliamentary reception (General Election permitting).

6 AOB

There was no AOB.