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The Changing Geography of British Bank and Building Society Branch Networks, 1995-2003

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1. Executive Summary:

This report provides summary information from an Economic and Social Research Council-funded project (RES-000-22-0686) undertaken at the School of Geography, University of Nottingham between 2004-2005. The research analysed the changing geography of bank and building society branches in Great Britain between 1995 and 2003. The closure of banks and building society branches can have significant consequences for customers, who may have to incur additional costs to travel to undertake transactions or obtain face-to-face advice, in addition to engendering a sense of loss and abandonment within local communities. The loss of counter services and cash transmission is particularly problematic for local businesses. This project updated research undertaken by the authors in the 1990s which mapped changes in bank and building society branch networks between 1989 and 1995. The current research confirmed that the branch networks of both banks and building societies have now been in a continuous process of decline since at least the late 1980s. Between 1989-2003 banks closed 36 per cent of their branches, converted building societies¹ 22 per cent, and building societies 17 per cent. Between 1995-2003, banks closed 22 per cent of their branches, converted building societies 19 per cent and building societies five per cent. Thus, closure rates varied between institutions over the period, with banks in particular being anxious to drive down costs by closing branches in the face of investor pressure. This long run process of closure is also a product of a more competitive market for retail financial services, which forces all firms to seriously appraise costs against revenues. It is also a result of new distribution channels supplementing the branch, and changes in the ways in which customers access financial services.

¹ That is, building societies that converted to public limited companies between 1989 and 2003.

Closures vary geographically, as firms adjust their branch networks to spatial variations in markets. The average branch closure rate for bank and building society branches for all areas between 1995 and 2003 was 20 per cent. However, the highest rate of closure – almost 24 per cent – was experienced in *Multicultural metropolitan* areas, which include poor inner city areas. Higher than average rates of branch closure were also experienced in areas defined as *Prospering metropolitan*, *Traditional manufacturing*, *Built up areas*, and *Student communities*. Meanwhile, areas that experienced lower than average branch closures tended to be more affluent, and which could safely be described as typically ‘Middle England’: these were *Suburbs and small towns*, *Coastal and countryside areas* and *Industrial hinterlands*.

We anticipate that this process of geographical adjustment will continue for the foreseeable future because those areas with lower than average rates of branch closure – *Suburbs and small towns*, *Coastal and countryside areas* and *Industrial hinterlands* – continue to have a smaller share of branches than their share of the population. Moreover, the population of these areas possess the socio-economic profiles that make them highly attractive to retail financial services firms, which means that, against a background of overall decline, we anticipate a further reduction in the share of bank and building society branches located within less affluent urban areas and a relative increase in the proportion within more affluent suburban areas and small towns.

2. Research Background

The aim of this research project was to update earlier research undertaken in the 1990s which mapped the changing geography of bank and building society branches between 1989 and 1995. An Economic and Social Research Council-supported project undertaken between 2004 and 2005 updated the figures to 2003, and revealed that the branch networks of both banks and building societies have now been in a continuous process of decline since at least the late 1980s. This decade and a half of branch network shrinkage was initially triggered by problems sown by financial services firms during the mid- to late-1980s as they adjusted to increased levels of competition following the re-regulation of the sector. But it has also been a product of investor pressure on banks, the growth of new distribution methods which now supplement the branch as a channel for the sale and purchase of retail financial products and services, and subsequent changes in the ways in which many customers access retail financial services.

Despite the relative decline in the strategic importance of the branch to banks and building societies, the Government nevertheless considers the branch to be an important bulwark against financial exclusion (PAT 14/HM Treasury, 1999). Initiatives such as the basic bank account and the decision to pay social benefits into bank accounts have confronted banks with a significant dilemma. That is, how to address the Government's insistence that low income customers (who rely upon branch networks) are served while at the same time seeking to adjust to a changing competitive landscape, which is driving branch closure and relocation? As the government admits in a recent policy document on financial exclusion,

the basic transaction costs for low-income customers are higher *because they are heavier users of branches*, making them even less likely to generate profits for the bank.

Therefore, most banks do not see basic bank accounts as a commercial opportunity (HM Treasury, 2004, page 29, emphasis added).

This dilemma also confronts building societies, because some of the largest societies are also involved in the delivery of basic bank accounts. Moreover, even those societies not offering basic bank accounts will be affected because of the potential for additional enquiries at branches and call centres regarding the basic bank account. Moreover, the pressure to close branches is particularly problematic for building societies because by their very nature they are organizations that 'have long taken the challenges of financial exclusion very seriously ... most societies began in response to their members being excluded from affordable housing finance and societies have been a safe home for the savings of millions of low and moderately paid households for over 200 years'. (Dayson, 2004, page 8).

The aim of this project, therefore, was to assess developments in the geography of the branch-based distribution networks of mainstream financial services and thus assess the extent of financial infrastructure withdrawal between 1995 and 2003.

3. Branch closures 1995-2003

The changing size of bank and building society branch networks between 1989-1995 and 1995-2003 is represented in Table 1. Between 1989-2003 the rate of branch closure was 36 per cent for banks, 22 per cent for converted building societies and 17 per cent for building societies.² Between 1995-2003, banks closed 22 per cent of their branches, converted building societies 19 per cent and building societies five per cent. Comparison of yearly average closure rates for the period 1989-1995 and 1995-2003 reveal marked institutional differences. Whereas the average yearly rate of closure for former building societies quadrupled from 0.6 per cent per annum between 1989-1995 to 2.4 per cent per annum between 1995-2003, and decreased only marginally for banks from 3.0 per cent per annum between 1989-1995 to 2.8 per cent between 1995-2003, the closure rates for building societies more than halved during the same period, falling from 2.1 per cent per annum between 1989-1995 to just 0.6 per cent between 1995 to 2003. During interviews undertaken with representatives of retail banks and of existing and converted building societies, it became apparent that corporate governance plays a key role in explaining unevenness in branch rationalisation; public limited companies are under greater external financial pressures to reduce costs and improve profits.

However, senior managers in three of the top five British banking groups suggested that since 2000-2001 large scale bank branch rationalisation has effectively been put on hold.

Although closures have continued to take place since 2000-2001 the respondents suggested that these were mostly the result of 'natural wastage', citing the end of leasing contracts, problems with making individual branches compliant with the Disability

Discrimination Act and other mundane reasons for recent closures, rather than the result

² It was not possible to consider branch relocation as a separate category in this analysis. Relocations would therefore be picked up as both a closure and an opening, but given that the focus in this analysis is on net closures the effect of relocations is neutral.

of formal rationalisation programmes. Nevertheless, evidence also emerged during the research in 2005 that some banks have begun to introduce small-scale, phased closure programmes which go beyond the natural wastage described above. Branch rationalisation emerged as an important concern for building societies which, in comparison to banks, had generally made smaller reductions in their branch networks.

In order to assess the spatial characteristics of bank and building society branches, an analysis of the geodemographic characteristics of the census wards within which closures occurred between 1995-2003 was undertaken using the Office of National Statistics (ONS) 2001 Area Classification ('supergroups') (see Table 2 for a definition of supergroups). Table 3 shows the rate of branch closure by supergroup. The mean rate of branch closure across all areas between 1995 and 2003 was 20 per cent. However, rates of net closure varied between the supergroups, with five supergroups having closure rates higher than average, while three experienced below average closure rates. The areas with branch closure rates *higher than average* were 'urban' in type. The highest rate of branch closure (-23.6 per cent) was experienced in *Multicultural metropolitan* areas, and above average rates of branch closure were also found in the following supergroup categories: *Prospering metropolitan* (-22.4%), *Traditional manufacturing* (-22.3%), *Built up areas* (-22.3%) and *Student communities* (21.4%).³

Multicultural metropolitan areas are concentrated in Greater London and Lancashire (see Figure 1) and are characterised by, amongst other things, higher than average levels of unemployment rates and a far higher than average proportion of people identifying themselves as Black, Indian, Pakistani or Bangladeshi. *Prospering*

³ Due to the low numbers of branch openings in the *Accessible Countryside* supergroup the margin of error was such that these data were considered to be insufficiently robust for analysis. Therefore, *Accessible Countryside* areas have not been considered in this report. The data is presented in Table 3 for information purposes only.

metropolitan areas are concentrated in London, and include wards located in other large cities like Manchester and Glasgow. Defining characteristics of these areas compared to the national average include a high population density, plus a high proportion of one person households, flats, people born outside the UK, people with a higher education qualification and, ironically, people who work in the finance industry. *Traditional manufacturing* areas are concentrated in the traditional manufacturing belt of Britain, the south of Scotland, northern England and parts of Wales. A typical area is the Longbridge ward in Birmingham. As in the case of *multicultural metropolitan* areas, *traditional manufacturing* wards are characterised by unemployment rates far above the national average, but also an unusually high proportion of people working in routine occupations, rented public and terraced housing. *Built-up Areas*, as defined by the ONS, are mainly concentrated in Scotland, but also includes areas in parts of Wales and England. These are areas of relative poverty, with the following variables being far higher than the national average: households with only one person (who is not a pensioner); people who are unemployed; household spaces rented from the public sector; people of a working age suffering from limiting long-term illness; people who are separated or divorced; household spaces which are flats. Finally, *Student communities* are distributed throughout England, parts of Wales, and the south west of Scotland. Places such as Fishergate in York, Westgate in Canterbury and Eastney and Craneswater in Portsmouth are the most typical wards in this supergroup. Variables with a proportion far above the national average include: households with one person (who is not a pensioner); people with a higher education qualification; household spaces which are flats; people who are students; household spaces rented from the private sector.

At the opposite end of the spectrum were areas which had *lower than average* rates of branch closure between 1995 and 2003: these areas were *Suburbs and small towns* (-16.9 per cent), *coastal and countryside* (-17.0 per cent) and *industrial hinterlands* (-18.6 per cent). Thus, in contrast to those areas that suffered higher than average, which were urban in character, the areas that experienced lower than average rates of closure were mainly small towns, suburban and rural areas. Moreover, all three supergroups areas with closure rates below the national average have no socioeconomic variables that are far below, or indeed far above the national average. They can, therefore, be considered for all intents and purposes to be 'Middle England'. *Coastal and countryside* wards are evenly located throughout the UK, apart from the south east of England, where they are mainly absent. The *Suburbs and small towns* supergroup is comprised of three sub-groups: suburbs, prospering suburbs and commuter suburbs, and is widely distributed throughout England and Scotland (see Figure 1). Places such as Wootton in Bedford, Bishop's Stortford All Saints and Sawbridgeworth in East Hertfordshire are typical wards in this supergroup. The third and final supergroup with a lower than average closure rate was *Industrial hinterlands*, comprising two sub-groups, 'out of town housing' and 'industrial' areas. Industrial hinterland wards are concentrated in south Wales, southern Scotland and northern England, are again characterised by a large number of socioeconomic variables close to the national average. In explaining why *Industrial hinterland* areas were less affected by branch closure it is important to note that these areas had already been pruned of most of their branches during the first wave of closure in the period 1989 to 1995.

4. Interpretation and discussion

A total of 16 interviews were undertaken with representatives of leading retail services organisations, industry bodies and pressure groups to discuss the changing geography of retail financial services branches within Britain. An analysis of the findings of these interviews makes it possible to identify at least four processes that have an influence on the changing geography of bank and building society branches in Great Britain:

i. Corporate governance: Rates of branch closure are, on average higher, for public limited companies than for mutually owned organisations. Thus, rates of branch closure are higher in banks than in building societies (see Table 1). One interpretation of the faster rate of closure is that public companies are under more pressure to make costs savings – which branch closures can deliver – as they are driven by the necessity of producing value for shareholders:

[Bank A has]... thrown a lot of money at technology in branches, ... [and] when I go and speak to them they say, 'Well we're giving it ... 18 months; if it doesn't work, we might have to do something different, because the analysts and the media crawling all over our figures and saying you've got to get a bigger performance'.

[Bank B] are ... a global bank, but the UK's cost income ratio is totally out of sync with the rest of the group. They say they pick up 33% of the costs in the UK, but only deliver a 25% of the profit ... they've got to do something about it, which is why they have embarked on a [new] branch closure programme. (Derek French, Chair, Campaign for Community Banking Services, Interview, 2005)

Such pressures, some of our respondents argued, led to banks closing not merely branches that were losing money, but also branches that were profitable, *but just not profitable enough*.

Building Societies, meanwhile, are seeking to exploit their organisational structure by revaluing their branches and even using them as part of a marketing strategy that enables them to be differentiated from banks. As one respondent put it:

Building societies are closing branches at a much slower rate than banks. [T]he general view amongst building societies is that the branch network is valuable for member relations ... customers value the personal contact. That's not universally so but it tends to be the case that building societies ... keep their branches open for both financial and non-financial reasons. There are some societies who say ... it's a sort of badge of honour that they would not close a branch, particularly if it's the last branch in a community ... (Industry Organisation B, Interview, 2005).

However, as the figures illustrate, building societies have been engaged in a long run process of branch reduction as they struggle to reconcile being mutually owned organisations within a highly competitive market for retail financial services.

ii. Branch closure policies: We have identified a more or less general convention of evaluation that banks and building societies use to assess the performance of their branches. Branch performance is continuously assessed, usually as part of a formal annual review. The failure of a branch to meet its targets initiates a series of interventions. These range from discussions with management, through new investments and/or the installation of a new management team, to the closure of the branch. The level intervention will depend on: the perceived nature of the local market – that is, its prospect of supporting a successful branch – which is assessed with the help of what are known as ‘branch planning services’, which are provided by companies such as CACI, and Geographical Information Systems tools, which are provided by a range of consultancies, and; the perceived deficiencies of the branch in question. However, the vigour with which such interventions are pursued varies markedly from institution to

institution. As indicated above, the likelihood of closure is greater for public limited companies than for building societies. However, there are important exceptions: for example, one leading retail bank insists that it is now company policy not to close branches, and has not done so voluntarily since 2000, and actively cross-subsidises branches that fail to cover their costs. Moreover, there was evidence from interviews that, despite the accelerating rate of branch closure since 1995, many retail financial institutions are now beginning to reconsider the value of their branches.

iii. New socio-economic geographies: Many institutions are dealing with the legacy effects of earlier rounds of branch network construction. Most of Britain's leading financial institutions have regional origins (Pratt, 1998), which means that many still have branch networks which are heavily skewed towards their region of origin. Therefore, over the past 10-15 years or so banks, but mainly building societies, have been faced with the uncomfortable task of closing numerous branches within regions with which they are, or have traditionally been, associated, with significant negative reputational effects in some cases. At least one building society representative admitted to being reluctant to close unprofitable 'local' branches as the negative publicity they would generate would more than outweigh the potential economic savings. Nevertheless, changes in the social and economic geographies of British society have meant that for many financial institutions, a significant number of their branches are 'in the wrong place'. For them, closure programmes are part of a geographical restructuring exercise that seeks to ensure that their branch networks reflect these new social and economic geographies. This involves redirecting their assets away from economically struggling communities, where aggregate demand is falling, and towards new, more prosperous communities, where market opportunities are greater. As one senior manager responsible for his bank's branch networks put it,

... the social and economic geography of [some places have] changed absolutely fundamentally, and yet as a bank one is expected still to be there because it's actually always been there ... it's a bit like a post office ... people are very emotionally attached to it. And certainly sometimes when we ... have [undertaken] closures ... people living in particular places can see ... life kind of ebbing away from their town, and almost when the bank goes that's the final [straw]. And it isn't the bank that's killed the town, the town is actually now fulfilling a different function, and activity is now elsewhere. And so to me it would seem absolutely perverse to expect that 1,500 plus branches would always stay in exactly the same place because life, the community, the geography, is changing so rapidly, and it's not like this is just affecting banks; there's a zillion and one other things as well. So we need to be responding to that. In many respects ... we're so far behind this curve that actually there's some catching up to do. (Bank B, Interview, 2005)

There is some evidence to back up claims that the geography of branches lags behind that of population. For example, Table 4 compares the share of population and branches by geodemographic supergroup. Significantly, those areas that experienced below average rates of branch closure – that is, *Suburbs and small towns*, *Coastal and countryside* and *Industrial hinterlands* – remained underrepresented in their share of branches given their share of the population as a whole. Meanwhile, many of the more urban areas that experienced higher than average rates of bank branch closure between 1995 and 2003 had a much larger than expected share of total branch networks given their share of the total population. However, it is important to note that this overrepresentation in urban areas is to some extent explained by the proximity of these areas to city centres which contain many branches that serve geographically distributed populations, rather than the populations that live closest to them. A further reason why

Suburbs and small towns remain underrepresented in their share of branches is the inability of financial services firms to open in these locations due to planning restrictions. As a representative a leading Building Society pointed out:

At the moment we're looking at certain locations where we'd love to actually open a branch, if we could actually find a location that we could buy. There are certain areas [where] we've been banging our heads trying to find suitable sites ... for a considerable time, and simply couldn't find [any]. So it's not a case of not wanting to be in those places, it's just because of zoning and things like that ... [we can't open a branch] unless another financial institution closes in that area; the zoning and the local council don't want too many financial [branches] in the streets, so [if a café or a restaurant [closes], you've got to get it reclassified to be able to open it as a financial institution, which means physically there's a limit to where you can go. (Interview, Building Society E, 2005)

Therefore, although the geography of net branch closures was uneven between 1995-2003, these differences may have been even greater had not local planning regulations prevented financial services firms from opening branches in many small towns and suburban locations.

iv. Use of branches and new distribution channels: The accelerating rate of branch closure after 1995 was influenced by the normalisation of new distribution channels introduced to the retail financial services sector and changes in the ways in which customers used branches. The use of the telephone as a distribution channel was developed within the British retail financial services industry during the 1980s and became common-place during the 1990s. From the late 1990s onwards, the Internet

became an additional distribution channel for retail financial products. Both these developments were cited in interviews with key informants in financial services firms as factors which not only mitigated any negative social and economic consequences of branch closures, but also partly contributed to closures in that it took business away from the branch. Indeed, some institutions reported a steady fall in the volume of business through branches, with one even issuing a ‘use or lose it’ challenge to its customers in regards to some of its branches. But the ability to use the telephone and Internet to mitigate the impact of branch closure is highly uneven across the population as a whole, as there are cost and cultural barriers to the use of these media among many financial services customers; for such people, they are not a direct substitute for face-to-face contact with staff in a branch.

Perhaps the most significant new distribution channel for financial services has not been either the telephone or the Internet but the partial integration of the Post Office into the British financial services industry. As part of a campaign against financial exclusion, the government marshalled the Universal Banking Agreement with the 16 largest banks and the largest building society, which required these institutions to introduce Basic Bank Accounts for low income customers. These accounts provide deposit and cash handing – but not overdraft – services. To facilitate the availability of such accounts to poorer communities, particularly those that might have been affected by earlier rounds of bank branch closures, such services were made available at Post Offices. Moreover, under further government pressure, some leading retail banks and building societies – have signed distribution deals with the Post Office to provide counter services for their regular personal customers. Given that the Post Office still has 14,500 offices, this considerably widens the geographical scope of the retail financial services industry.

However, during interviews, the growing integration of the Post Office with the retail financial system was identified as problematic, in at least two regards. Firstly, it was cited by some respondents as a potential factor in driving further bank branch closures. As one respondent argued:

It does cost the banks significant amounts of money to make an arrangement with the Post Office and so they do it on a competitive basis, where they think their customers will really value it. But, you know, if I were a bank who had made that investment ... I'd be looking at my branch network [because] there is an obvious read-across there [for potential closures]. (Industry Organisation A, Interview, 2005).

That is, banks could see Post Office branches as effective substitutes for their own branches, which could be taken into account in future rounds of branch closure. This might not matter if such services were universally available at Post Offices, given their current geographical distribution. However, the Post Office has recently initiated a branch closure programme, reducing its network down from over 16,000 branches in 2004, nor are all banks and building societies permitting the Post Office to distribute their products.

The reason for this is the second problem, which is the emergence of the Post Office as a direct competitor to banks and building societies following the introduction of Post Office-branded financial products as part of a joint venture with the Bank of Ireland. This development has deterred several leading banks and building societies from signing full distribution deals with the Post Office. Moreover, it would be a surprise to see those organisations that have a distribution deal cite its existence as an offsetting factor in future bank or building society branch closures, given the almost universal hostility expressed in interviews to the idea of the 'white label', or shared, branch which has been

proposed by the Campaign for Community Banking Services (CCBS). This proposal suggests that as branch networks continue to shrink the number of communities able to support branch operations will also decline, leading to more and more communities being denied access to counter services and other financial services delivered through a branch. One solution proposed by the CCBS is that, following the closure of the last branch within a community, a white label branch be established to act as a transaction agent for banks and building societies, in much the way that the Post Office acts currently for those financial institutions with which it has a distribution deal (see http://www.communitybanking.org.uk/report_whitelabel.htm). However, during our discussions, it emerged that the representatives of both banks and building societies were uneasy with such a proposal as it would represent a loss of control over their products at the point of distribution; the strength of this opposition suggests that both the idea of the white label branch and the extension of the Post Office's role as a transaction agent is likely to be highly problematic and not entered into voluntarily by the banking and building society industries.

5. Conclusion

The branch networks of bank and building societies in Britain have been in decline since at least the late 1980s. They are likely to continue to shrink over the medium term as a result of continued competition and pressures to lower costs and increase revenues. The geography of closures has been uneven, with higher than average closures taking place in predominantly less affluent urban areas. More affluent non-urban locations have, for the most part experienced lower than average closure rates. The difference in closure rates would have been greater if not for the proximity of many poor urban areas to city centres where bank and building society branches serving wider populations are located and the impact of local planning regulations which have acted to restrict the number of financial services branches on the high streets of more affluent suburbs and small towns.

However, against a background of overall decline, we anticipate a further reduction in the share of bank and building society branches located within less affluent urban areas and a relative increase in the proportion within suburban areas and small towns.

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Table 1: Branch networks of top 10 building societies, top six bank groups and top 10 'converted building societies, Great Britain, 1989-2003*

	Branches			Change (%)		
	1989	1995	2003	1989-1995	1995-2003	1989-2003
Top 10 Building Societies**	1,699	1,478	1,403	-13.0	-5.1	-17.42
Top 6 Bank Groups***	12,659	10,406	8,077	-17.8	-22.4	-36.2
Top 10 converted building societies****	3,473	3,348	2,702	-3.6	-19.3	-22.2

* Note that the figures for converted building societies include branches also included as part of the larger banking groups above of which they are a part: thus, Cheltenham & Gloucester are owned by Lloyds-TSB, Halifax and Birmingham Midshires are owned by HBOS, Woolwich Equitable is owned by Barclays

** Nationwide, Britannia, Yorkshire, Portman, Skipton, Leeds & Holbeck, Derbyshire, Coventry, West Bromwich and Chelsea. (Source: Building Societies Yearbook 2002-03)

*** Barclays, HBOS, HSBC, Lloyds-TSB, and RBS-Natwest (Source: Authors' research)

**** Abbey National (converted to public limited company in 1989), Alliance & Leicester (1997), Birmingham Midshires (1999), Bradford & Bingley (2000), Bristol & West (1997), Cheltenham & Gloucester (1995), Halifax (1997), National Provincial (1996), Northern Rock (1997) and Woolwich Equitable (1997). (Source: Experian. Note that his section of the database was updated to 2004)

Table 2: ONS geo-demographic area classification: ‘supergroups’ (source: http://www.statistics.gov.uk/about/methodology_by_theme/area_classification/wards/cluster_summaries.asp)

‘Supergroup’	‘Supergroup’ number	Groups	Subgroup	% of UK Population
Industrial Hinterlands	1	Industrial Areas	Industrial Areas A	4.7%
			Industrial Areas B	6.2%
		Out of Town Housing	Out of Town Housing A	4%
			Out of Town Housing B	4.6%
Traditional Manufacturing	2	Built-up Manufacturing	Built-up Manufacturing	4%
		Transitional Economies	Transitional Economies A	4.3%
			Transitional Economies B	3.3%
Built-up Areas	3	Built-up Areas	Built-up Areas A	1.7%
			Built-up Areas B	1.6%
Prospering Metropolitan	4	Prospering Metropolitan	Prospering Metropolitan A	2.8%
			Prospering Metropolitan B	0.91%
Student Communities	5	Student Communities	Student Communities A	1.1%
			Student Communities B	3.4%
			Student Communities C	0.4%
Multicultural Metropolitan	6	Multicultural Areas	Multicultural Areas	3.1%
		Inner City Multicultural	Inner City Multicultural	3.6%
Suburbs and Small Towns	7	Suburbs	Suburbs A	7.8%
			Suburbs B	6.4%
		Prospering Suburbs	Prospering Suburbs	3.5%
		Commuter Suburbs	Commuter Suburbs A	5.5%
			Commuter Suburbs B	4.4%
Coastal and Countryside	8	Countryside	Countryside A	2.5%
			Countryside B	4.5%
		Senior Communities	Senior Communities	2.7%
		Out of Town Manufacturing	Out of Town Manufacturing	6.8%
		Northern Ireland Countryside	Northern Ireland Countryside	0.91%
		Accessible Countryside	Accessible Countryside	5.1%
Accessible Countryside	9	Accessible Countryside	Accessible Countryside	5.1%

Table 3: Branch closures and openings by banks, converted building societies and building societies, by Supergroup area, Great Britain, 1995-2003

'Supergroup'	Total branches 1995	Total branches 2003	Branch closures, 1995-2003	Branch openings, 1995-2003	Net change	Net change (%)
Industrial Hinterlands	1873	1524	479	130	-349	-18.6
Traditional Manufacturing	1677	1303	499	125	-374	-22.3
Built-up Areas	1832	1424	508	100	-408	-22.3
Prospering Metropolitan	1431	1111	480	159	-321	-22.4
Student Communities	1829	1442	579	192	-387	-21.2
Multicultural Metropolitan	1040	795	329	84	-245	-23.6
Suburbs and Small Towns	2651	2209	628	180	-448	-16.9
Coastal and Countryside	2341	1942	497	98	-399	-17.0
Accessible Countryside*	164	128	42	6	-33	-22.0
Total	14838	11871	4041	1074	-2967	-20.0

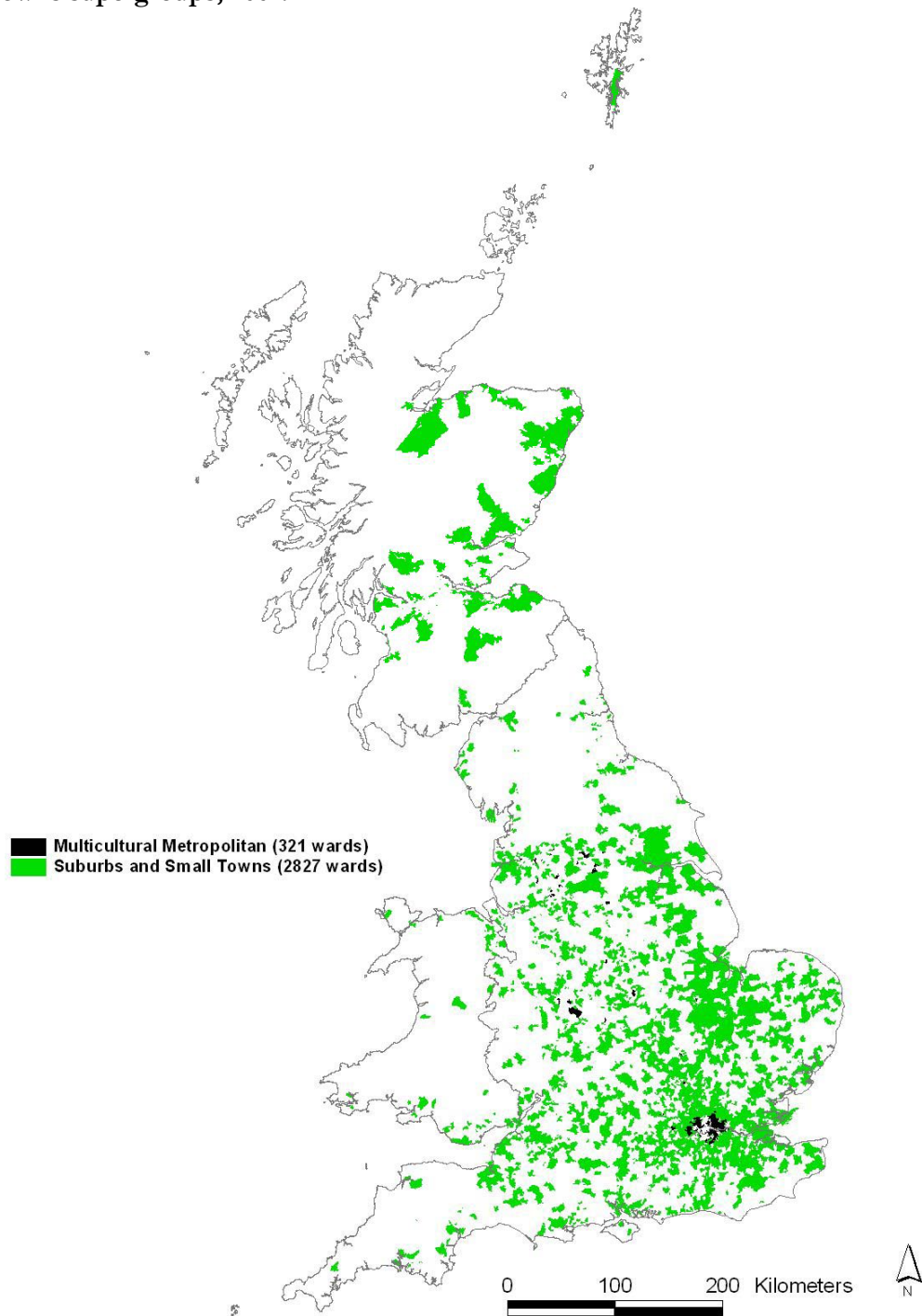
Note: This analysis includes 97.5 per cent of total branches open in 1995, and 93 per cent of openings between 1995 and 2003. Branches which could not be geocoded, that is given a location, were excluded from the analysis.

* Due to the low numbers of openings branches in this Supergroup, the margin of error was such that these data were considered insufficiently robust for analysis and so Accessible Countryside areas have not been considered in the report. The data is presented here for information purposes only.

Table 4: Share of population and branches by supergroup, Great Britain, 1995 and 2003 (per cent)

'Supergroup'	Share of population 2001	Share of branches 1995	Share of branches 2003
Industrial Hinterlands	19.6	12.6	12.8
Traditional Manufacturing	11.7	11.3	11.0
Built-up Areas	3.3	12.3	12.0
Prospering Metropolitan	3.7	9.6	9.4
Student Communities	5.0	12.3	12.1
Multicultural Metropolitan	6.7	7.0	6.7
Suburbs and Small Towns	27.7	17.9	18.6
Coastal and Countryside	17.3	15.8	16.4
Accessible Countryside	5.1	1.1	1.1
Total	100	100	100

Figure 1: The geography of the *Multicultural metropolitan* and *Suburbs and small towns* supergroups, 2001.



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