

North Yorkshire Council
Thirsk and Malton Area Committee

26 September 2025

Briefing note on banking and cash handling services in the Committee area

1.0 PURPOSE

1.1 Members requested an update on the latest situation for banking and cash handling in the committee area.

2.0 COUNCIL REVIEW OF BANKING SERVICES

2.1 On 2 December 2018 the Corporate and Partnerships Overview & Scrutiny Committee considered a [review of cash-based, over the counter banking and Post Office services in rural areas of the county](#).

2.2 The committee's recommendation to the NYCC Executive was to:

- A) Endorse the Committee's views in regard to the impact of bank branch closures on local businesses and rural communities.
- B) Highlight the concerns identified by the review to members of the Local Government York & North Yorkshire Partnership Group.
- C) Ask all County Councillors to consider and identify where within their electoral division an additional ATM may be of benefit to residents and identify a possible site location (council owned or otherwise) for submission by LINK's online tool.
- D) That the Stronger Communities Team support all submissions of possible site locations submitted by County Councillors via the LINK's online tool, by encouraging the relevant community to support a proposal and provide evidence of need.

2.3 As of July 2025, the report author was not aware that any sites had subsequently been suggested by councillors.

2.4 At the Executive held on 18 April 2023, it was suggested that the Corporate and Partnerships Overview & Scrutiny Committee undertake a follow up of the review. There is nothing listed in the Committee's work programme for this civic year.

3.0 CENTRAL GOVERNMENT PUBLICATIONS

3.1 The House of Lords Library provides "research, analysis and a range of print and online resources to support Members of the Lords and the work of the House". On 10 February 2025 they published a briefing on the "[Closure of bank branches: Impact on rural communities](#)".

3.2 The [matter was debated in Parliament on 5 June 2025](#) and it was resolved that:

That this House recognises the importance of banking facilities to local communities and expresses concern over the precipitous decline over the past 40 years; notes the change to banking habits through online services; further recognises that, for vulnerable people, face-to-face banking is a vital service and a reduction of branches risks significant financial exclusion; further notes the impact of a loss of physical banking on small businesses through lost productivity and lost footfall; also notes the

innovative nature of banking hubs as a solution to a loss of high street banking, but recognises that Financial Conduct Authority rules for their recommendation are too inflexible; and calls on the Government to instigate a review into the impact on communities of bank branch loss and a change to the regulations to ensure communities have appropriate access to banking facilities.

4.0 WHY ARE BANKS CLOSING THEIR LOCAL BRANCHES?

4.1 Banks in the UK are closing local branches for several key reasons, driven largely by shifts in technology, customer behaviour, and cost management.

1. Rise of digital banking

Over 80% of UK adults now regularly use online or mobile banking. With the convenience of 24/7 access, real-time alerts, and digital tools, many customers no longer feel the need to visit a physical branch. This trend has accelerated post-pandemic, as more people became comfortable managing finances remotely.

2. Changing customer preferences

Younger generations in particular prefer digital-first banking experiences. Older customers are increasingly adopting online services. As a result, foot traffic in branches has declined, making them less viable to maintain.

3. Cost-cutting measures

Operating a physical branch is expensive. Banks are streamlining operations by closing underused branches and reallocating resources to digital infrastructure.

4. Industry-wide trend

In 2025 alone, over 300 branches are set to close across the UK, including those from Santander, Lloyds, and NatWest. Since 2022, nearly 2,000 branches have shut down or announced closures.

5. Mitigation efforts

To support communities affected by closures, initiatives like banking hubs and free ATMs are being introduced. These hubs offer shared services from multiple banks, especially in rural or underserved areas.

5.0 BANKS' PARTNERSHIP WITH POST OFFICES

5.1 30 banks and building societies partnered with the Post Office to offer local banking services such as cash and cheque deposits, withdrawals, and balance checks. These partnerships are part of a broader initiative to maintain access to essential banking services, especially in areas where traditional bank branches have closed.

5.2 On 14 July 2025 - [the government announced the Post Office Green Paper](#), the first comprehensive review of the Post Office in 15 years, including "How the Post Office can improve and develop the banking services it provides".

5.3 A [Which? article on 1 May 2025](#) considered the latest contracts between banks and the Post Office. Only 55% of adults are aware that they can use post offices for banking, and 47% are unlikely to do so in the future, so there appears to be a serious failure in raising awareness of the service.

5.4 The Post Office promoted its banking services through a combination of strategic partnerships, community engagement, and accessibility initiatives.

a. Strategic partnerships with banks

The Post Office collaborated with over 30 UK banks and building societies to offer essential banking services at more than 11,500 branches

This includes:

- Cash deposits and withdrawals
- Balance inquiries
- Bill payments
- Cheque deposits

These services are provided without additional fees, making them accessible to a wide range of customers

b. Banking framework agreements

The Post Office operates under a formal "Banking Framework", now in its fourth iteration, which secures long-term agreements with financial institutions. The latest five-year deal (2026–2030) ensures continued access to cash and banking services, especially in areas affected by bank branch closures.

This framework also includes:

- Investment in automation of cash services
- Increased remuneration for postmasters
- Support for small businesses needing daily cash deposit facilities

c. Awareness campaigns

To raise public awareness, the Post Office and UK Finance launched a five-point plan aimed at promoting the availability of banking services at local branches.

This includes:

- Public information campaigns
- In-branch signage and staff training
- Community outreach to highlight the importance of cash access

Key features of the campaign included:

- Targeted media campaigns - These included regional and localised advertising to raise awareness of banking services - like cash deposits, withdrawals, and balance checks.
- In-branch promotions - Coordinated in-branch campaigns were timed with media efforts to reinforce messaging at the point of service.
- Community outreach - The campaign focused on areas affected by bank closures, using information leaflets, joint outreach by Post Office and bank staff, and events to engage local communities.
- Support for vulnerable customers - Enhanced services were developed using best practice guidelines from Citizens Advice to ensure accessibility for all.
- Cross-channel visibility - Banks were encouraged to promote Post Office services in their own materials (websites, brochures, and customer service scripts) to reinforce the Post Office as a trusted banking partner

d. Banking hubs and extended hours

The Post Office partnered with Cash Access UK to operate over 150 Banking Hubs, which provide face-to-face banking services in underserved areas. Many branches offer extended hours, including weekends, making banking more convenient

e. Community messaging

Marketing promoted the Post Office's role in financial inclusion, especially for older people and those less comfortable with digital banking. The messaging highlighted

the importance of maintaining access to cash and the personal touch of in-branch services

The Post Office promoted its banking services via the "Five-Point Action Plan" developed in collaboration with UK Finance and HM Treasury.

5.0 BANKING HUBS

- 5.1 The Financial Conduct Authority (FCA) guidance expects firms to carefully consider the impact of planned branch closures on their customers' everyday banking and cash access needs and put in place alternatives where reasonable.
- 5.2 Banking Hubs are set up by the banking industry in response to closing bank branches, creating a shared space for banks to meet with their customers. The hubs are run by the Post Office and shared with major high street banks. They allow customers to withdraw and deposit cash easily. Additionally, local community bankers offer in-person help with more complicated transactions such as mortgages, loans, pensions and more on a dedicated day of the week
- 5.3 The Financial Conduct Authority has the following rules for considering or setting up a banking hub.

Banks and building societies will need to:

- assess cash access and understand if additional services are needed, when changes are being made to local services
 - respond to local residents, community organisations and representative groups, who will be able to request an assessment of whether there are gaps in local cash access
 - deliver reasonable additional cash services, where significant gaps are found
 - keep facilities, including bank branches and ATMs, open until any additional cash services identified are available
- 5.4 A member of the public, part of a community group, a councillor or an MP can [ask for a review of a community's cash access needs](#) by applying to LINK, the organisation responsible for the UK's ATM network. LINK runs a financial inclusion programme and has many years of experience in assessing communities' cash needs.
- 5.5 LINK look at a wide range of factors to decide whether the community needs a new cash service. They will look at which cash and banking services are already available to the community. But they will also look carefully at other factors including the community's size and age profile, the number of local businesses, the take-up of digital services and the number of people who are likely to rely on cash.
- 5.6 Once they have carried out an assessment, LINK may say that the community is already well served for cash access, or they can recommend a banking hub or new deposit service (see <https://www.cashaccess.co.uk/hubs/> and <https://runapostoffice.co.uk/what-is-a-banking-hub>)

6.0 BUSINESS CASH DEPOSITS

- 6.1 When small businesses need to deposit cash after hours and there are no local bank branches, there are several alternatives becoming more common in the UK:

- a. Super ATMs (multi-bank deposit machines)
 - Advanced ATMs that allow cash deposits for customers of multiple major banks.
 - These are being rolled out in towns affected by bank closures
 - Benefits:
 - Accessible outside normal banking hours.
 - Accept deposits for multiple banks.
 - Offer services like balance checks and PIN changes.

- b. Cash deposit machines in supermarkets or retail hubs
 - What they are: Self-service machines located in places like supermarkets or convenience stores.
 - Availability: Some are accessible 24/7, depending on the host location.

- c. Post Office banking services
 - Many banks partner with the Post Office to allow cash deposits.
 - Some post offices have extended hours compared to banks.

7.0 LOCAL BANKING SERVICES

7.1 Appendix A shows the services currently available in the Thirsk and Malton area.

8.0 RECOMMENDATION

8.1 That the report be noted.

**Thirsk and Malton area
Physical locations**

Bank	Number of days open					
	Malton	Helmsley	Thirsk	Pickering	Filey	Easingwold
Barclays Local	2	2	3	1		4*
Lloyds community banker			1 per mth			
TSB	1					
Yks Building Society				5		
Nationwide		5	4			5
HSBC			5			
Newcastle Building Society				5		

* Galtres Centre, Easingwold

Filey Banking Hub (and Post Office) open 9am – 5pm Mon - Fri

Bank	Mon	Tue	Wed	Thu	Fri
	Santander (am)/NatWest (pm)	Halifax	Barclays	Virgin Money	HSBC

LINK Cash Locator lists the nearest places to pay in or withdraw cash. LINK publishes the assessments undertaken which include [Easingwold](#), [Pickering](#) and [Malton](#). Each assessment outcome concluded the following:

We are not recommending the provision of any new or improved cash access services in XXX at this time.

This is because our assessment shows there are already cash access services and facilities within 3-mile radius which are suitable for the needs of the local area, or the deficiency does not cause a significant impact on the local area.

The facilities include:

- *Free cash deposit and withdrawal services for personal current accounts.*
- *Cash deposit and withdrawal services for business accounts that allow for a reasonable mix of notes and coins to be deposited or withdrawn.*
- *A Post Office.*
- *Bank or Building Society Branch*
- *A Withdrawal ATM.*