

Branch Closure Support Protocol

Australia and the world have seen a dramatic shift from a predominantly bricks-and-mortar method of banking to digital banking.

For many Australians, there are now more options to access banking services than ever before. Many customers are choosing to use digital and telephone channels which are available at a time and place convenient to them.

Banks remain committed to providing their individual and small business customers with different options to access banking products and services, regardless of where they live.

In addition to banks' Branch networks, other banking options may include:

- telephone and digital banking options;
- ATMs that may include deposit taking features;
- hybrid Branch models where smaller regional Branches operate at reduced hours to allow banks to continue servicing Local communities while also supporting the increasing demand for digital and phone services;
- fee free ATMs in a number of remote First Nations communities; and
- Bank@Post where over 80 participating banks and financial institutions offer a range of everyday banking services at over 3,500 Australia Post outlets.

This Branch Closure Support Protocol (**Protocol**) provides the minimum standards of support in the event of a Branch closure. In accordance with the Banking Code of Practice, a member bank commits to complying with this Protocol when closing a Branch.

Defined terms used in this Protocol are set out at the end of this document.

1. Application

Except in the circumstances described below in this section, this Protocol applies to the closure of a Branch when the distance to the nearest Branch of the same bank brand is 10 kilometres or more by road. The requirements of this Protocol are tiered based on distance.

This Protocol does not apply:

1. in the event that a Branch must close due to the following circumstances that are beyond the control of the bank:
 - a. structural defects,
 - b. property damages,
 - c. official government direction to permanently vacate the premises such as compulsory government land acquisitions,
 - d. early terminations of lease by the landlord;

where this occurs, the bank will:

- i. comply with sections 1 and 2 of the Customer Care Standard, if a Nearby Face-To-Face Banking Alternative is offered, or
- ii. comply with section 1, 2 and 5 of the Customer Care Standard if a Nearby Face-To-Face Banking Alternative is not offered.

2. when a Branch is temporarily closed or remains open but some of its services are ceased, relocates to a Nearby location, or opening hours are changed. Where this occurs, the bank will consider what community and engagement processes are appropriate to keep Affected Customers and Key Local Stakeholders well-informed.

2. Ongoing banking alternatives available after Branch closes

Where a bank considers that it is commercially viable to do so, the bank closing a Branch will ensure that a Nearby Face-To-Face Banking Alternative is offered. If the bank forms the view that this Nearby Face-To-Face Banking Alternative is no longer viable, the bank may subsequently stop this service.

Alternatively, if the bank closing a Branch considers that a Nearby Face-To-Face Banking Alternative is not commercially viable, the bank will undertake to identify other Nearby retail banking service options prior to the Branch closure and ensure that these options (if any) are communicated to Affected Customers.

3. Support services – where the distance to the next Branch is greater than 10km but less than 20km

If a bank closes a Branch and the nearest Branch of the same brand is greater than 10km away by road (but less than 20km), the bank will act in accordance with paragraphs 1-4 of the Customer Care Standard at Appendix 1. The remainder of the Customer Care Standard will not apply in this scenario.

4. Support services – where the distance to the next Branch is greater than 20km

If a bank closes a Branch and the nearest Branch of the same brand is greater than 20km away by road, the bank will:

1. comply with the Customer Care Standard at Appendix 1;
2. give appropriate notice of the closure. Appropriate notice is:
 - a. 12 weeks' written notice of their intention to close the Branch to Affected Customers and Key Local Stakeholders, if the bank will offer a Nearby Face-To-Face Banking Alternative, or
 - b. 24 weeks' written notice of their intention to close the Branch to Affected Customers and Key Local Stakeholders, if the bank will not offer a Nearby Face-To-Face Banking Alternative; and
 - c. notice given to additional community representatives and/or organisations whom the bank considers, in the circumstances, may be appropriate to notify including the relevant Aboriginal Land Council (where one exists) or the Torres Strait Regional Authority
3. prepare and publish a Branch Closure Impact Assessment (BCIA) in relation to that Branch, following the Branch closure announcement. At a minimum, the BCIA will:
 - a. state reasons for the closure decision including a summary of information used to make the decision,
 - b. summarise communication and engagement that the bank will undertake in relation to the closure decision,
 - c. detail how Affected Customers can make enquiries regarding their ongoing banking needs, post-closure, and
 - d. be published on the bank's website and physical copies available in the closing Branch.

A bank is not required to disclose in the BCIA, or otherwise provide, confidential or commercially sensitive information in relation to matters relating to a Branch closure.

5. Review

The Australian Banking Association will conduct a review of this Protocol together with the regular review of the Banking Code of Practice. This will involve consultation with member banks and other stakeholders.

Definitions

For the purposes of this Protocol:

Affected Customer means a Customer that a member bank reasonably determines will be affected by a Branch closure.

Branch has the same meaning as the definition in the APRA Points of Presence data collection, as updated and amended from time to time.

Customer means each individual and small business customer covered by the Banking Code of Practice and any other customer a member bank may choose to extend this Protocol to.

Key Local Stakeholders means:

- a. the Federal and State MPs responsible for the electorate in which the relevant closing Branch is situated, and
- b. the Mayor and CEO of the relevant local government in which the relevant closing Branch is situated.

Face-To-Face Banking Alternative means an alternative face-to-face point of presence to a Branch which offers cash deposit and cash withdrawal facilities for Customers, such as a Bank@Post location for participating banks.

Local means within 20km by road of the Branch that is closing.

Nearby means within 5km by road of the Branch that is closing.

Transfer Costs means any fees and charges of the bank closing the Branch directly associated with transferring accounts within six months of the closure of the Branch to another financial institution which offers alternative banking services that:

- a. include services of the same type as the transferred account, and
- b. are Local to the Branch that is being closed.

Appendix 1 – Customer Care Standard for Branch closures

The Customer Care Standard forms part of the Bank Closure Support Protocol and applies to Affected Customers. To comply with the Customer Care Standard when closing a Branch, banks will:

1. provide Affected Customers with information about accessing its services and offer Affected Customers education, training and assistance to transition to alternate channels;
2. actively engage with Affected Customers and Key Local Stakeholders and respond to queries and concerns about the closure of the Branch;
3. support Affected Customers who may face barriers to banking services, post-Branch closure. In the context of Branch closures, banks will in particular:
 - a. provide communications to Affected Customers that encourage those Customers who expect they may experience barriers to accessing banking services post-closure to contact the bank. These Customers may be:
 - older people,
 - people with a disability,
 - First Nations people, and
 - people with limited English;
 - b. take steps to assist Affected Customers who contact the bank to help them transition to alternate banking channels,
 - c. raise awareness of, and assist eligible Affected Customers to open, affordable banking products and services such as basic, low or no fee accounts, and
 - d. have available education resources to assist the digital and financial capability of Affected Customers identified as having barriers to banking accessibility;
4. where an Affected Customer contacts the bank in relation to a Branch closure, consider whether any of the following language services are appropriate:
 - a. making interpreters available for relevant Customers,
 - b. making AUSLAN services available;
 - c. easy read or simple English communications; or
 - d. providing general information in languages other than English.
5. where a Branch closes due to certain circumstances beyond the control of the bank and will not offer a Nearby Face-to-Face Banking Alternative (see section 1(ii) of Part 1) or where the bank will not offer a Nearby Face-To-Face Banking Alternative (see section 2(b) of Part 4), waive Transfer Costs for Affected Customers;
6. consider support to assist Affected Customers transition to a Local Face-To-Face Banking Alternative or other banking services through third parties, such as Bank@Post for participating banks.