

Les Matheson  
Chief Executive



Our Ref: 64937115/CAB

20 August 2015

Mr Alan Mak MP  
House of Commons  
London  
SW1A 0AA



Personal & Business Banking  
RBS Gogarburn  
PO Box 1000  
Edinburgh, EH12 1HQ  
Telephone: 0131 626 1236  
[www.rbs.co.uk](http://www.rbs.co.uk)

Dear Mr Mak,

**Re: NatWest Hayling Island**

Thank you for your letter of 30 July 2015 to our Chief Executive, Ross McEwan. I have been asked to reply as I have executive responsibility for Personal and Business Banking.

I recognise that you are disappointed with our decision to close the Hayling Island branch. I can assure you that our decision was not taken lightly. When we make such a decision we look at a number of factors including the number of people using the branch and the alternatives in place for our customers in the local area. We ensure there are a range of options available for our customers and so made the commercial decision not to arrange a prior consultation.

The number of customers using the Hayling Island branch has dropped by 21% since 2011. However, our decision was not based on those statistics alone - nearly half of the active customers who regularly use the branch use other branches in the area. This trend is driven by the fact that increasingly people are using alternative ways of banking with us including by phone, mobile app, online and through the Post Office network.

A key part of our decision is the availability of alternative ways to bank in the local area. For those who prefer to do their banking face to face we have reached an agreement with the Post Office. The agreement means our customers can make cash and cheque deposits, cash withdrawals, balance enquiries and business customers can get change. There is a Post Office within 100 metres of our branch and a further two Post Office branches on Hayling Island.

We are retaining our ATM and there are also a further seven free-to-use ATMs within one mile of our branch building.

Many day-to-day transactions can also be done quickly and easily via our increasingly popular Digital Banking Service or our Mobile App. We know that these methods do not appeal to everybody, and all the services available online can also be accessed via our 24 hour telephone banking service, for the cost of a local rate call.

Due to the broad range of facilities available on Hayling Island, we do not have any plans to introduce a Mobile Branch.

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We write to all our regular customers three months in advance of the closure so that staff can engage with customers and the local community on the alternative ways they can still bank with us. We also write to local politicians and local press outlets and display posters in our branches. If any of our customers do have any questions about how they can continue to bank with us they can visit the branch at any time – our staff will be happy to help. Equally, the Local CEO, Sarah Wraith, has included her contact details in the letter to all affected customers.

The branch staff are at risk of redundancy. We are doing everything possible to minimise the impact on staff as we make this change. We are working quickly to minimise any uncertainty for our staff. Part of this process involves understanding whether or not they would like to be considered for voluntary redundancy. We recognise this can be a difficult time for our staff and we have offered guidance and counselling to those affected. Unite the union are also aware of the situation and have been consulted on the closure and how it affects our people.

The Access to Banking Protocol is available on RBS.com. The Customer & Community Engagement document will be available in branch for review and it will be published online one month prior to the closure. Details can be found at <http://www.rbs.com/about/worldwide-locations/branch-closure-customer-and-community-engagement.html>.

The branch will close on Tuesday 10 November 2015 and the signage will be removed the following day. We have a duty to shareholders and customers to openly market the property to give all interested parties a fair and transparent opportunity to purchase the property. We take all factors into account when assessing final offers (including, source of funding, planning etc.) to ensure that we proceed with the offer that makes the best overall sense for the Bank. We will immediately be marketing the property for sale and for that reason, there is unlikely to be a significant transitional period, and we do not anticipate that there will be any opportunity for any community organisation to use the premises on a temporary basis.

As the pace of consumer change increases we need to ensure our services are relevant to the needs of our customers and we have the right reach and presence in communities across the UK. To ensure that we have this we regularly review our network to make sure that it is the appropriate size and shape for current customer demand and needs. This meant that we closed 107 NatWest branches in 2014.

As I mentioned, our customers can visit the branch or contact the Local CEO at any time to talk about their banking. Chris Maguire and Sarah Wraith would also be happy to attend a round table meeting so that any interested parties can have the opportunity to share their thoughts. Chris will contact your office to arrange a meeting at a time convenient to you.

Regrettably, the changes in our customers' needs have meant that a difficult decision had to be made regarding the Hayling Island branch. I hope I have helped to explain the reasons why our decision remains unchanged, and the ways still available to bank with NatWest in the local area.

Yours sincerely,



**Les Matheson**  
CEO, Personal and Business Banking