

Lesley Griffiths AC / AM
Y Gweinidog Cymunedau a Threchu Tlodi
Minister for Communities and Tackling Poverty



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-04-618
Ein cyf/Our ref LG/00082/15

William Powell AM
Chair - petitions committee
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Dear Bill,

Thank you for your letter of 21 January, bringing to my attention a petition on the protection of banking services in vulnerable communities received by the Petitions Committee. You asked for my views on the issues raised in advance of consideration by the Committee.

Whilst the decision to maintain a branch is a commercial decision for the banks, the Welsh Government is committed to maintaining access to mainstream financial services, particularly in relation to tackling the problem of financial and social exclusion in our most vulnerable communities – this is the area which I am most concerned about as Minister for Communities and Tackling Poverty, and which I can provide views on.

Where possible, the Welsh Government wants to help mitigate any adverse impacts of bank branch closures and measures have been put in place to help mitigate this. For example, one of the main reasons the Welsh Government have provided support for local post offices throughout Wales is because of the social role these offices play in the communities they serve. They can, and do, provide free access to cash and banking services in areas where banks have closed branches.

In fact, all Welsh post offices provide a range of banking and financial services. These include free access to cash withdrawals over the counter. Many post offices also host free-to-access ATM machines. All Welsh post offices offer access to current accounts (including basic bank accounts) for most high street banks. Customers can generally withdraw cash, deposit cash or cheques and check the balance of their accounts at the post office.

Officials are also working with communities, businesses and ICT suppliers to deliver value for money solutions which allow Welsh businesses and citizens to engage with the digital age. Our Broadband Support Scheme is proving an effective tool in addressing gaps in internet access.

In addition to our support for post offices, the Welsh Government also provides funding to Credit Unions which provide a wide range of practical, affordable and straightforward financial services for local communities. In April 2014, the previous Minister for Communities and Tackling Poverty committed funding of almost £1.9m to support Credit Unions over the next 3 years. This money will be used to enable Credit Unions to provide support to financially excluded people who may not be able to access mainstream financial products.

The petition referenced community banking. I understand the Department for Economy, Science and Transport is currently looking at the feasibility of the creation of a Development Bank for Wales and this work is being led by Professor Dylan Jones Evans. I understand the Professor will be submitting his report to the Minister very shortly.

Regards
Lesley

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