
From: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic
Sent: 01 May 2025 09:19
To: [Redacted under Section 38(1)(b)]
Cc: Emily Mackintosh; DG Economy; Richard Rollison; Andrew Hogg; [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic
Subject: RE: Allica Bank Meeting 24 April 2025
Attachments: ATC - DFM Meeting with Allica Bank - Minute - 24 April 2025.docx

This email is for the official record and confirms a Ministerial Decision. This email must be placed in the official record (eRDM) by your team in line with SG records management policy.

[Redacted under Section 38(1)(b)]

DFM is content to clear the attached note.

[Redacted – out of scope]

Many thanks,

[Redacted under Section 38(1)(b)]



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From: [Redacted under Section 38(1)(b)]
Sent: 29 April 2025 15:47
To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>
Cc: Emily Mackintosh <Emily.Mackintosh@gov.scot>; DG Economy <DGEconomy@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>, [Redacted under Section 38(1)(b)]
Subject: RE: Allica Bank Meeting 24 April 2025

Deputy First Minister and Cabinet Secretary for Economy and Gaelic/PO

Please find attached for approval a draft minute of DFM's meeting with Conrad Ford from Allica Bank on Thursday 24 April.

Many thanks,

[Redacted under Section 38(1)(b)]



[Redacted – out of scope]

From: [Redacted under Section 38(1)(b)]

Sent: 24 April 2025 10:19

To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>

Cc: Emily Mackintosh <Emily.Mackintosh@gov.scot>; DG Economy <DGEEconomy@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]

Subject: RE: Allica Meeting Request

PS/ Deputy First Minister and Cabinet Secretary for Economy and Gaelic

Good morning,

As discussed with PO, please find attached updated briefing for DFM's meeting this afternoon with Conrad Ford from Allica Bank, noting that Anthony Thompson from 56 Degrees North will also be joining the meeting.

Many thanks,

[Redacted under Section 38(1)(b)]



[Redacted- out of scope]

From: [Redacted under Section 38(1)(b)]

Sent: 22 April 2025 11:47

To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>

Cc: Emily Mackintosh <Emily.Mackintosh@gov.scot>; DG Economy <DGEEconomy@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]

Subject: RE: Allica Meeting Request

PS/ Deputy First Minister and Cabinet Secretary for Economy and Gaelic

Good morning,

With thanks to colleagues for their input, please find attached briefing for DFM's meeting with Conrad Logan from Allica Bank at 14.45 on Thursday 24 April.

If you have any questions or would like to discuss anything in advance please let me know.

Kind regards,

[Redacted under Section 38(1)(b)]



[Redacted – out of scope]

From: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic
Sent: 15 April 2025 15:37
To: Andrew Hogg <Andrew.Hogg@gov.scot>
Cc: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>
Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

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From: Andrew Hogg <Andrew.Hogg@gov.scot>
Sent: 14 April 2025 22:06
To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic DFMCSEG@gov.scot; [Redacted under Section 38(1)(b)]
Cc: DG Economy <DGEEconomy@gov.scot>; Richard Rollison Richard.Rollison@gov.scot [Redacted under Section 38(1)(b)]
Director of Economic Development <DirectorDED@gov.scot> Subject: RE: Allica Meeting Request

[Redacted – out of scope]

From: [Redacted under Section 38(1)(b)] DG Economy
Sent: 11 April 2025 16:12
To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]

Cc: DG Economy <DGEEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot> Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

[Redacted - out of scope]

From: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic

Sent: 11 April 2025 15:53

To: DG Economy <DGEEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot> Cc: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot> Subject: FW: Allica Meeting Request

Please see below, DFM has agreed to meet with Conrad Ford, Chief Product and Strategy Officer, Allica Bank.

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

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Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot



From: [Redacted under Section 38(1)(b)]

Sent: 11 April 2025 15:49

To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>; Emily Mackintosh <Emily.Mackintosh@gov.scot>
Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)]

Sent: 11 April 2025 14:56

To: [Redacted under Section 38(1)(b)]; Emily.Mackintosh@gov.scot

Cc: DFMCSEG@gov.scot

Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments. All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot



From: [Redacted under Section 38(1)(b)]
Sent: 10 April 2025 14:48
To: Emily Mackintosh <Emily.Mackintosh@gov.scot>
Cc: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>
Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

From: Emily.Mackintosh@gov.scot <Emily.Mackintosh@gov.scot>
Sent: 10 April 2025 14:43
To: [Redacted under Section 38(1)(b)]
Cc: DFMCSEG@gov.scot
Subject: RE: Allica Meeting Request

[Redacted – out of scope]

From: [Redacted under Section 38(1)(b)]
Sent: 10 April 2025 09:40
To: Emily Mackintosh <Emily.mackintosh@gov.scot>
Subject: RE: Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)]
Sent: 02 April 2025 09:21
To: Emily.mackintosh@gov.scot Subject:
Allica Meeting Request

[Redacted – out of scope]

[Redacted under Section 38(1)(b)]

[Redacted – out of scope]

Note of meeting - Deputy First Minister and Cabinet Secretary for Economy and Gaelic meeting with Allica Bank – Thursday 24 April 2025, 14:45 – 15:15, Scottish Parliament.

Attendees

Conrad Ford, Chief Product and Strategy Officer, Allica Bank

Anthony Thompson, Managing Partner, 56 Degrees North

Kate Forbes, Deputy First Minister and Cabinet Secretary for Economy and Gaelic

[Redacted under Section 38(1)(b)]

[Redacted under Section 38(1)(b)]

Note of meeting

- [Redacted – out of scope]
- [Redacted – out of scope] Mr Ford highlighted the importance which SMEs place on having a relationship manager at their bank and how Allica had worked to maintain this personal point of contact for its clients while operating on a predominantly digital model (i.e. without branches).
- [Redacted under Section 33 (1)(b)]
- [Redacted – out of scope]
- [Redacted under Section 30 (b)(ii)]
- [Redacted – out of scope]
- [Redacted – out of scope]
- [Redacted – out of scope]
- [Redacted - out of scope]
- [Redacted – out of scope]
- DFM noted the clusters of businesses present in more far-flung regions of Scotland and the challenges that bank branch closures had posed where Allica’s focus on preserving relationship managers could be helpful. [Redacted under Section 33 (1)(b)]
- [Redacted under Section 30 (b)(ii)] SG recognises the gap in the market for SME lending and banking services which challenger banks such as Allica are helping to fill, thereby producing a healthier banking landscape.
- [Redacted – out of scope]

Actions

- [Redacted – out of scope]
- [Redacted – out of scope]

ISSUE: ITV Borders are running a piece on closures of bank branches and lack of ATM cash points in the Scottish Borders.

- Around 63% of bank branches across the UK have closed since January 2015. Scotland has been disproportionately affected with 69% of branches closing or due to close.
- The regulation of financial services is reserved to the UK Government and, as such, Scottish Ministers are unable to directly intervene in the commercial decisions made by financial services firms to close bank branches and ATM's.
- The FCA's new rules on access to cash came into force on 18 September 2024 requiring banks and building societies to assess and fill gaps, or potential gaps, in cash access provision.
- The new rules require designated banks and building societies to assess local cash needs before closing branches or ATMs, engage with local communities, provide suitable alternative services and maintain existing services until those alternative services are available.
- The Scottish Government was actively involved in the consultation for these new rules and our feedback helped to ensure that the unique geography of Scotland was considered when assessing the accessibility of nearby alternative services. This resulted in the rules specifying separate definitions of 'urban' and 'rural' for Scotland reflecting Scotland's unique geography.
- In October 2024, the Scottish Government convened a cross-party roundtable on 'Access to Cash and Banking Services in Scotland' on 2 October 2024, hosted by the Minister for Business. Representatives from the sector including the FCA, LINK, Cash Access UK and the Post Office attended to discuss the FCA's new regulatory remit and the impact of bank branch closures on Scotland's communities. It explored how the Scottish Government, elected representatives in Scotland and the financial services ecosystem can work collaboratively to ensure there are long-term and sustainable solutions to protect access to cash and essential banking services for the people of Scotland.
- The Scottish Government continues to engage with the sector regularly on this topic.
- We are also engaging with the UK Government on the wider issue of financial inclusion including the development of a UK Financial Inclusion Strategy. As part of this HM Treasury has set up a Financial Inclusion Committee whose mission is to tackle barriers to individual household's ability to access affordable and appropriate financial products and services through the development, coordination and implementation of appropriate interventions. Our engagement will ensure that the interests of Scotland's people and communities are fully considered.

TOP LINES

- While the UK Government has responsibility for the regulation of the financial services industry, we will continue to work with them, and to engage with the industry, to ensure communities have long term, sustainable access to essential banking services.
- Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.
- Under the FCA's new Access to Cash rules, anyone who is concerned about getting cash or paying cash into their account where they live, can ask LINK to check things out by making a "cash access request".
- The Scottish Government regularly engages with the banking sector in Scotland through bi-lateral ministerial meetings and through FISGAD. We will continue to urge all banks and financial services providers to listen to and address concerns customers have on access to physical bank branches and cash services.

[Redacted under Section 38(1)(b)]

MINISTERIAL ENGAGEMENT BRIEFING:

KATE FORBES, DEPUTY FIRST MINISTER AND CABINET SECRETARY FOR ECONOMY AND

GAELIC

Briefing for Meeting with FCA Chief Executive Nikhil Rathi, 20th May, 8:30-9:00

What	Meeting with Financial Conduct Authority (FCA) Chief Executive Nikhil Rathi.
Where	DFM's Office, St Andrews House
When	Tuesday 20 th May, 8:30-9:00
Who	Nikhil Rathi , Chief Executive, FCA Nick McGruer , Head of Scotland Office, FCA [Redacted under Section 38(1)(b)]
Why	[Redacted – out of scope]
Key message(s)	[Redacted – out of scope]
Expected outcome	<ul style="list-style-type: none"> • [Redacted – out of scope] • [Redacted – out of scope] • [Redacted – out of scope]
Supporting official	[Redacted under Section 38(1)(b)]
Briefing contents	Annex A: Agenda Annex B: Biographies Annex C: Additional Background Information

AGENDA

1. [Redacted – out of scope]
2. [Redacted – out of scope]
3. **Financial Inclusion including Access to Cash and Banking** and the results of the FCA Financial Lives Survey and Scottish specific data (due to be released on the morning of 20 May)

Previous engagement

[Redacted – out of scope]

Neil Gray also met with Nikhil (virtually) on 18th January 2024 where they discussed the FCA's Consumer Duty, innovation, financial inclusion and access to cash/branch closures.

1. **[Redacted – section is out of scope]**

2. **[Redacted – section is out of scope]**

3. **FINANCIAL INCLUSION AND ACCESS TO CASH AND BANKING SERVICES**

- The next **FISGAD** meeting will be held on 19th June 2025. The agenda will include an economic update from the sector covering the impact of current global trends as well as a spotlight on financial inclusion activity in Scotland: SFE and Financial Inclusion for Scotland's unbanked pilot, the credit union sector in Scotland, sharing data and insights.
- The FCA are due to release their **Financial Lives Survey** on the morning of your meeting with Nikhil Rathi. They have indicated that there will be 15 Scottish-specific data points on issues including: access to cash, financial resilience, vulnerable customers, and access to credit.
- The UK Government are currently developing a Financial Inclusion Strategy which they aim to publish later this year. The FCA is working with HMT on its development and SG officials are engaged with HMT and sub committees to feed in the interests of devolved nations.

Suggested Discussion Points

- [Redacted – out of scope]
- [Redacted – out of scope]
- It is important that UK Government and the FCA consider Scotland's unique geographic and demographic makeup in efforts to tackle financial exclusion, and we were pleased to see this reflected in the FCA's final rules on access to cash. However, we continue to hear from individuals and communities who are unhappy with the continuing trend of branch closures with concerns about the impact on the most vulnerable, which is not limited to access to cash. **You may wish to ask Nikhil what further work the FCA is doing in respect to the wider issue of access to banking services?**
- While financial services regulation is reserved, SG is ready to work with the UK government, regulators, firms and the third sector to remove barriers and ensure that vulnerable Scottish consumers are not left behind. This is why we are taking the opportunity to discuss financial inclusion at FISGAD in June. We recognise that improvements can be made without the need for further regulation, and this will be an opportunity to share insight and best practice and identify opportunities to collaborate. For example:
 - SFE's work with Financial Inclusion for Scotland to address the unbanked population through a pilot in 2 Scottish local authorities (we have asked SFE to provide an update at FISGAD).

- The recently published report from Citizen’s Advice Scotland [“Holding to Account: recommendations for improving access to banking Services”](#) identified some specific issues around ‘basic bank accounts’ including evidence that the majority of these offered by the banks are difficult to access for multiple reasons. **You may want to ask Nikhil if he thinks the banks could do more to improve the provision and access of these accounts without their direct intervention?**
- [Redacted – out of scope]

BIOGRAPHIES

Nikhil Rathi, CEO, Financial Conduct Authority



Nikhil was appointed Chief Executive of the FCA on 1 October 2020. He began his career in HM Treasury before serving as Private Secretary to the Prime Minister between 2005 – 2008.

Nikhil then became Head of the Financial Stability Unit, overseeing a number of the UK's financial stability interventions before becoming HM Treasury's Director of the Financial Services Group from 2009 – 2014. In that role, he also served as the UK representative to the EU Financial Services Committee.

Nikhil joined the London Stock Exchange (LSE) in 2014, and was appointed CEO in 2015.

Nikhil holds a BA in philosophy, politics and economics from the University of Oxford.

Nick McGruer, Head of Scotland Office, Financial Conduct Authority



Nick is co-head of the Scotland office, having joined the FCA in 2020. Alongside this, he is head of the Integrated Regulatory Model at the FCA. In this role, he is responsible for a programme of work to improve the FCA's ability to spot and act on harm aiming to increase the speed of action on high-risk harms, reduce low-risk casework and better harness digital capabilities to do so. He previously worked for the UK Government on pensions and employment matters. Nick is a member of FISGAD.

[Redacted under Section 38(1)(b)]

ADDITIONAL BACKGROUND INFORMATION

[Redacted – section is out of scope]

[Redacted – section is out of scope]

[Redacted – section is out of scope]

FINANCIAL INCLUSION

Scottish Government officials are engaging with HM Treasury on the development of a Financial Inclusion Strategy.

- To support the development of a Financial Inclusion Strategy UKG has set up a Financial Inclusion Committee. The objectives of the committee are to develop, coordinate and implement interventions to support financial inclusion in the UK, and advise the UK Government on the development of its financial inclusion strategy. The Committee will focus on the following areas:
 - Digital inclusion and access to banking services
 - Savings
 - Insurance
 - Affordable credit
 - Problem debt
 - Financial education and capability
- Across the above areas, the committee will consider cross-cutting themes, including accessibility, mental health, and economic abuse.
- We stand ready to work with the Committee, whose work is taking a UK wide approach on financial services, with issues that will span both reserved and devolved areas including access to banking, affordable credit and financial education and capability.
- [Redacted – out of scope]

ACCESS TO CASH AND BANKING SERVICES

Ensuring that everyone has easy access to basic banking services is essential to building a fair and inclusive society.

- Around 63% of bank branches across the UK have closed since January 2015, with Scotland being disproportionately affected, having lost 703 branches- 68% of its total. Of these, 695 have already closed, with an additional 22 scheduled to shut down as of March 2025.
- As of 18 September 2024, the FCA has new regulatory powers for access to cash services. Under these new rules, designated banks and building societies are required to assess local cash access, respond to community requests, provide alternative services (e.g. banking hubs, ATMs, or partnerships with local Post Office facilities) and maintain existing facilities until suitable alternatives are established.
- SG convened a cross-party roundtable hosted by Mr Lochhead, Minister for Business, on 2 October 2024 which included representatives from Scottish Financial Enterprise (SFE), Financial Conduct Authority (FCA), Cash Access UK, LINK, and mainstream banks in Scotland to discuss the FCA's new Access to Cash rules and ongoing issues around access to cash and banking services in Scotland. Attendees have agreed to explore what future options could look like for Scotland and link into broader work on financial inclusion.

- SG regularly engages with the banking sector in Scotland through bi-lateral ministerial meetings and through the Financial Services Growth and Development Board (FISGAD) that the First Minister co-chairs. We will continue to urge all banks and financial services providers to listen to and address concerns customers have on access to banking and cash services.
- In October 2023, Scottish Financial Enterprise (SFE) announced a plan to offer every Scottish resident access to a basic bank account. This initiative targets approximately 100,000 unbanked individuals in Scotland, including vulnerable groups such as young adults, by collaborating with banking and fintech members, Financial Inclusion for Scotland (FIFS), and the FCA. The goal is to leverage innovations in fintech, data, and AI to make banking services more inclusive.
- SG supports SFE and FIFS' pilot to target secondary school children by providing education and encouraging sign ups to accounts across two local authorities.
- Scottish Government officials are actively engaging with Scottish credit unions and their representative bodies to support the growth and long term resilience of the sector in recognition of the valuable contribution they make to communities in the provision of fair and affordable products and promoting financial inclusion.

ITV Borders Interview – Email Chain (1)

From: [Redacted under Section 38(1)(b)]
Sent: 27 May 2025 14:31
To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic
Cc: Communications Deputy First Minister, Economy and Gaelic; [Redacted under Section 38(1)(b)] SCA : Business Resilience Unit [Redacted under Section 38(1)(b)]; DG Economy; [Redacted under Section 38(1)(b)] Director of Economic Development; [Redacted under Section 38(1)(b)]; Andrew Hogg; Richard Rollison; [Redacted under Section 38(1)(b)]; Emily Mackintosh; [Redacted under Section 38(1)(b)]; Jack Middleton; [Redacted under Section 38 (1)(b)]
Subject: RE: for clearance - bid / lines - ITV Borders - bank branch closures and ATM access -pre-rec bid in Garden Lobby before 5.30pm today
Attachments: Bank Branch Closures and ATM Access - ITV Borders - 27 May 2025.docx

Please find attached briefing as requested. Please let me know if you have any questions or require anything further.

Thanks

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic
Sent: 27 May 2025 13:56
To: [Redacted under Section 38(1)(b)] Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>
Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]
SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; [Redacted under Section 38(1)(b)] ; DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]
Andrew Hogg <Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]
Emily Mackintosh <Emily.Mackintosh@gov.scot>; Ross Ingebrigtsen <Ross.Ingebrigtsen@gov.scot>; Jack Middleton <Jack.Middleton@gov.scot>; Sean McGivern <Sean.McGivern@gov.scot>
Subject: RE: for clearance - bid / lines - ITV Borders - bank branch closures and ATM access -pre-rec bid in Garden Lobby before 5.30pm today

[Redacted under Section 38(1)(b)]

DFM is happy to do this bid [Redacted – out of scope]

[Redacted under Section 38(1)(b)]

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From: [Redacted under Section 38(1)(b)]

Sent: 27 May 2025 12:58

To: Deputy First Minister and Cabinet Secretary for Economy & Gaelic <DFMCSEG@gov.scot>

Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]; SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg

<Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]; DG Economy

<DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]; Andrew Hogg

<Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]; Emily Mackintosh

<Emily.Mackintosh@gov.scot>; Ross Ingebrigtsen <Ross.Ingebrigtsen@gov.scot>; Jack Middleton

<Jack.Middleton@gov.scot>; Sean McGivern <Sean.McGivern@gov.scot>

Subject: for clearance - bid / lines - ITV Borders - bank branch closures and ATM access -pre-rec bid in Garden Lobby before 5.30pm today

DFMPO,

ITV Border would like to interview DFM - or receive SG lines - for a general piece on bank closures / access to ATMs in rural areas. Regulation of financial services is reserved and their draft script is below – there is no call on SG. They are going to UKG for comment.

A Conservative constituency MSP will be quoted saying she wants (UKG) criteria around banking hub / cash access to be changed to recognise particular challenges in rural areas.

[Redacted under Section 30 (b)(ii)]

Thanks

[Redacted under Section 38(1)(b)]

WHO	OUTLET	TIME	LIVE/PREREC	INTERVIEWER	TOPICS	Recommendation	Other details (if required)

DFM	ITV Border	Before 5.30pm	Pre Rec in the Garden Lobby	[Redacted under Section 38(1)(b)]	Rural bank closures / access to ATMs	[Redacted under Section 30 (b)(i)]	
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SG LINE

A Scottish Government spokesperson said:

“While the UK Government has responsibility for the regulation of the financial services industry, we will continue to work with them, and to engage with the industry, to ensure communities have long term, sustainable access to essential banking services.

“Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.”

DRAFT SCRIPT

Cash or card. What was the last thing you paid for? Well, cash is in the minority and has been for many years, but it is still crucial for many of us. Let me introduce you to Margaret. She's 90 years old and lives in the lovely village of Ayton, which has no cash machine.

clip - I can do bank transfers. I've done those, but there are still quite a few occasions when cash is needed. So you do have to go there. And then occasionally you might receive a cheque and that has to go to a post office to be paid. And you know, so it's it's not easy.

Margaret would have to catch the bus to Eyemouth for the post office that's found inside a garage in an industrial estate with an hour's wait for the return bus home.

clip - So at the moment, elderly people who have mobility problems and don't have their own transport, even who live in Eyemouth, do not use that local one because it's just completely impractical.

The post office isn't the only option. There's an ATM in the town centre, but when the co-op shutters come down, it means Eyemouth is card only between 10 p.m. and 7 a.m.. And that's when the machine is working.

clip- There's no kindness to what LINK is doing. I know they base it on older figures and statistics, but in a rural setting where the population is substantially higher for people in an later life, it's just not fair.

Repeated problems with out of order machines has caused a stir with locals, and the Organisation LINK, in charge of monitoring services, did investigate but deemed the current set up was enough.

clip - The machines in Eyemouth should have the capacity to deal with access to cash needs. But yes, there have been reliability problems, but we do see that would make sense from time to time. But what generally happens is the engineers get out there pretty fast and get it working again.

Because of that commercial incentive for them to do so.

So we will keep looking at Eyemouth and make sure that that is happening. But we're confident based on the assessments we've done, that the access cash there is sufficient. And there is a key bit of context here, which is that, yes, there's still millions of people reliant on cash. But since Covid withdrawals in Scotland have gone down by 50%.

Eyemouth is not alone. Selkirk is also experiencing repeated problems with access to cash, particularly when the farmers market is on and the nearby ATM runs out of money.

clip - It's down again. It's it's so frustrating. We only have one cash machine in Selkirk. I mean, it's down. It really inconveniences cash only businesses. So our current system is 25 per transaction plus 3% on top. It's not ideal.

clip - People that know us know that we only take cash, so they bring cash and other people some have cash a lot don't. And they they'll they'll either go away and look for it or I'll lose the sale.

Hawick is one of the bigger towns in the borders, with plenty of choice when it comes to accessing cash, but even here, cutbacks are being felt. Santander is closing its bank branch on the High Street in July, and the TSB van is being discontinued in favour of access via the banking hub over in Jedburgh.

And that banking hub was born out of necessity after the last branch pulled out of the town.

clip - So the reason for this banking hub, as was because the last bank in town announced their closure so opened in July of last year. We've actually had it in a temporary space and then it moved into this beautiful building later on last year. It provides a safe, welcoming space, not only for your older population, but also your vulnerable customers as well.

It gives in the time to access cash at a time when it suits them between Monday and Friday, 9 to 5, and also if they need to. They don't have to travel to the nearest branch. They can come here and speak to their community banker.

The issue has caught the attention of local politicians.

Rachael Hamilton clip - It is very frustrating because it's a criteria that is set around the banking hubs and access to cash. And I want to be able to try to change that criteria that recognises the rural rurality of some of the border towns, such as Eyemouth, Hawick, and Selkirk.

The Santander branch in Hawick is closing in July, and this Bank of Scotland branch in Peebles is open for the final time today. Both banks say that more of their customers are choosing to use their online services instead. But that won't stop people like Margaret from campaigning for better access to cash and working to get politicians on her side, as well.

Clip - That at the moment. I'm just going around some of the local community councils explaining the situation to them and asking them to join with me in agitating. I'm calling myself a little border terrier, and I'm going to be nipping at the heels of these politicians.

Cash use may be in decline, but it seems there's a fight to keep it from being withdrawn entirely.

From: Emily Mackintosh <Emily.Mackintosh@gov.scot>

Sent: 27 May 2025 12:47

To: [Redacted under Section 38(1)(b)]; Ross Ingebrigtsen <Ross.Ingebrigtsen@gov.scot>; Jack Middleton <Jack.Middleton@gov.scot>; Sean McGivern <Sean.McGivern@gov.scot>

Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]; SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]; DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]; Andrew Hogg

<Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]

Subject: RE: SPAD view - bid / lines - ITV Borders - bank branch closures and ATM access - 1.30pm

[Redacted under Section 30 (b)(i)]

From: [Redacted under Section 38(1)(b)]

Sent: 27 May 2025 12:34

To: Emily Mackintosh <Emily.Mackintosh@gov.scot>; Ross Ingebrigtsen <Ross.Ingebrigtsen@gov.scot>; Jack Middleton <Jack.Middleton@gov.scot>; Sean McGivern <Sean.McGivern@gov.scot>

Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)];

SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]; DG Economy

<DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)];

>; Andrew Hogg <Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot> [Redacted under Section 40 (2)] Subject: SPAD view - bid / lines - ITV Borders - bank branch closures and ATM access - 1.30pm

Hi SpAds,

ITV Border would like to interview DFM or receive SG lines for a general piece on bank closures / access to ATMs in rural areas. Regulation of financial services is reserved and their draft script is below – there is no call on SG. They are going to UKG for comment.

A Conservative constituency MSP will be quoted saying she wants (UKG) criteria around banking hub / cash access to be changed to recognise particular challenges in rural areas.

[Redacted under Section 30 (b)(ii)]

Thanks

[Redacted under Section 38(1)(b)]

WHO	OUTLET	TIME	LIVE/PREREC	INTERVIEWER	TOPICS	Recommendation	Other details (if required)
DFM	ITV Border	Before 3pm	Pre Rec	[Redacted under Section 38(1)(b)]	Rural bank closures / access to ATMs	[Redacted under Section 30 (b)(i)]	

SG LINE

A Scottish Government spokesperson said:

“While the UK Government has responsibility for the regulation of the financial services industry, we will continue to work with them, and to engage with the industry, to ensure communities have long term, sustainable access to essential banking services.

“Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.”

DRAFT SCRIPT

Cash or card. What was the last thing you paid for? Well, cash is in the minority and has been for many years, but it is still crucial for many of us. Let me introduce you to Margaret. She's 90 years old and lives in the lovely village of Ayton, which has no cash machine.

clip - I can do bank transfers. I've done those, but there are still quite a few occasions when cash is needed. So you do have to go there. And then occasionally you might receive a cheque and that has to go to a post office to be paid. And you know, so it's not easy.

Margaret would have to catch the bus to Eyemouth for the post office that's found inside a garage in an industrial estate with an hour's wait for the return bus home.

clip - So at the moment, elderly people who have mobility problems and don't have their own transport, even who live in Eyemouth, do not use that local one because it's just completely impractical.

The post office isn't the only option. There's an ATM in the town centre, but when the co-op shutters come down, it means Eyemouth is card only between 10 p.m. and 7 a.m.. And that's when the machine is working.

clip- There's no kindness to what LINK is doing. I know they base it on older figures and statistics, but in a rural setting where the population is substantially higher for people in an later life, it's just not fair.

Repeated problems with out of order machines has caused a stir with locals, and the Organisation LINK, in charge of monitoring services, did investigate but deemed the current set up was enough.

clip - The machines in Eyemouth should have the capacity to deal with access to cash needs. But yes, there have been reliability problems, but we do see that would make sense from time to time.

But what generally happens is the engineers get out there pretty fast and get it working again.

Because of that commercial incentive for them to do so.

So we will keep looking at Eyemouth and make sure that that is happening. But we're confident based on the assessments we've done, that the access cash there is sufficient. And there is a key bit of context here, which is that, yes, there's still millions of people reliant on cash. But since Covid withdrawals in Scotland have gone down by 50%.

Eyemouth is not alone. Selkirk is also experiencing repeated problems with access to cash, particularly when the farmers market is on and the nearby ATM runs out of money.

clip - It's down again. It's so frustrating. We only have one cash machine in Selkirk. I mean, it's down. It really inconveniences cash only businesses. So our current system is 25 per transaction plus 3% on top. It's not ideal.

clip - People that know us know that we only take cash, so they bring cash and other people some have cash a lot don't. And they they'll they'll either go away and look for it or I'll lose the sale.

Hawick is one of the bigger towns in the borders, with plenty of choice when it comes to accessing cash, but even here, cutbacks are being felt. Santander is closing its bank branch on the High Street in July, and the TSB van is being discontinued in favour of access via the banking hub over in Jedburgh.

And that banking hub was born out of necessity after the last branch pulled out of the town.

clip - So the reason for this banking hub, as was because the last bank in town announced their closure so opened in July of last year. We've actually had it in a temporary space and then it moved into this beautiful building later on last year. It provides a safe, welcoming space, not only for your older population, but also your vulnerable customers as well.

It gives in the time to access cash at a time when it suits them between Monday and Friday, 9 to 5, and also if they need to. They don't have to travel to the nearest branch. They can come here and speak to their community banker.

The issue has caught the attention of local politicians.

Rachael Hamilton clip - It is very frustrating because it's a criteria that is set around the banking hubs and access to cash. And I want to be able to try to change that criteria that recognises the rural rurality of some of the border towns, such as Eyemouth, Hawick, and Selkirk.

The Santander branch in Hawick is closing in July, and this Bank of Scotland branch in Peebles is open for the final time today. Both banks say that more of their customers are choosing to use their online services instead. But that won't stop people like Margaret from campaigning for better access to cash and working to get politicians on her side, as well.

Clip - That at the moment. I'm just going around some of the local community councils explaining the situation to them and asking them to join with me in agitating. I'm calling myself a little border terrier, and I'm going to be nipping at the heels of these politicians.

Cash use may be in decline, but it seems there's a fight to keep it from being withdrawn entirely.

[Redacted under Section 38(1)(b)]

ITV Borders Interview – Email Chain (2)

From: [Redacted under Section 38(1)(b)]
Sent: 27 May 2025 12:03
To: [Redacted under Section 38(1)(b) SCA : Business Resilience Unit; Andrew Hogg; [Redacted under Section 38(1)(b)]
DG Economy; Director of Economic Development; [Redacted under Section 38(1)(b)]; Andrew Hogg; Richard Rollison;
[Redacted under Section 38(1)(b)]
Cc: Communications Deputy First Minister, Economy and Gaelic; [Redacted under Section 38(1)(b)]
Subject: RE: policy input - media query - ITV Borders on bank branch closures and ATM machines
- 12.45pm

I'm happy with this [Redacted under Section 38(1)(b)]

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)]
Sent: 27 May 2025 11:58
To: [Redacted under Section 38(1)(b)]; SCA : Business
Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted
under Section 38(1)(b)]
DG Economy <DGEconomy@gov.scot>; Director of Economic
Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]; Andrew Hogg
<Andrew.Hogg@gov.scot>; Richard Rollison
<Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]
Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under
Section 38(1)(b)]
Subject: RE: policy input - media query - ITV Borders on bank branch closures and ATM machines -
12.45pm

[Redacted under Section 30 (b)(ii)]

A Scottish Government spokesperson said:

“While the UK Government has responsibility for the regulation of the financial services industry, we will continue to work with them, and to engage with the industry, to ensure communities have long term, sustainable access to essential banking services.

“Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.”

From: [Redacted under Section 38(1)(b)]
Sent: 27 May 2025 11:43
To: [Redacted under Section 38(1)(b)] SCA : Business

Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>; [Redacted under Section 38(1)(b)]; DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]; Andrew Hogg <Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)];
Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]
Subject: policy input - media query - ITV Borders on bank branch closures and ATM machines - 12.45pm

Hi all, picking up from duty colleagues.

ITV Border says the piece will cover general bank closures / fewer ATMs in the area. Their draft script is below. If a bid is not poss, they would like an SG line. No calls are being made for SG action.

A constituency MSP will be quoted saying she wants criteria around banking hub / cash access to be changed to recognise particular challenges in rural areas.

[Redacted under Section 30 (b)(ii)]

Happy to discuss. Pls widen copylist if others should be sighted

ITV Border is also going to UKG for comment.

Thanks

[Redacted under Section 38(1)(b)]

SCRIPT

Cash or card. What was the last thing you paid for? Well, cash is in the minority and has been for many years, but it is still crucial for many of us. Let me introduce you to Margaret. She's 90 years old and lives in the lovely village of Ayton, which has no cash machine.

clip - I can do bank transfers. I've done those, but there are still quite a few occasions when cash is needed. So you do have to go there. And then occasionally you might receive a cheque and that has to go to a post office to be paid. And you know, so it's it's not easy.

Margaret would have to catch the bus to Eyemouth for the post office that's found inside a garage in an industrial estate with an hour's wait for the return bus home.

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The post office isn't the only option. There's an ATM in the town centre, but when the co-op shutters come down, it means Eyemouth is card only between 10 p.m. and 7 a.m.. And that's when the machine is working.

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Because of that commercial incentive for them to do so.

So we will keep looking at Eyemouth and make sure that that is happening. But we're confident based on the assessments we've done, that the access cash there is sufficient. And there is a key bit of context here, which is that, yes, there's still millions of people reliant on cash. But since Covid withdrawals in Scotland have gone down by 50%.

Eyemouth is not alone. Selkirk is also experiencing repeated problems with access to cash, particularly when the farmers market is on and the nearby ATM runs out of money.

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Clip - That at the moment. I'm just going around some of the local community councils explaining the situation to them and asking them to join with me in agitating. I'm calling myself a little border terrier, and I'm going to be nipping at the heels of these politicians.

Cash use may be in decline, but it seems there's a fight to keep it from being withdrawn entirely.

From: [Redacted under Section 38(1)(b)]
Sent: 27 May 2025 08:28
To: [Redacted under Section 38(1)(b)]; SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot> [Redacted under Section 38(1)(b)]
DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot> [Redacted under Section 38(1)(b)]
Andrew Hogg <Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]
Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]
Communications Duty Box
CommunicationsDutyBox@gov.scot [Redacted under Section 38(1)(b)]
Subject: RE: POLICY VIEW BY 1030 TUES PLEASE - BID: ITV Borders on bank branch closures and ATM machines

Hi [Redacted under Section 38(1)(b)]

[Redacted under Section 30 (b)(ii)]

Please get in touch if you require anything else at this time.

Thanks

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)]
Sent: 26 May 2025 20:00
To: [Redacted under Section 38(1)(b)]; SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot> [Redacted under Section 38(1)(b)];
DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot> [Redacted under Section 38(1)(b)]
Andrew Hogg

<Andrew.Hogg@gov.scot>; Richard Rollison <Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]

Cc: Communications Deputy First Minister, Economy and Gaelic <DFMEG@gov.scot>; [Redacted under Section 38(1)(b)]

Communications Duty Box

<CommunicationsDutyBox@gov.scot>; [Redacted under Section 38(1)(b)]

Subject: RE: POLICY VIEW BY 1030 TUES PLEASE - BID: ITV Borders on bank branch closures and ATM machines

Hi [Redacted under Section 38(1)(b)]

Please find attached the relevant lines from our Core Brief on Access to Cash and Banking Services. [Redacted under Section 38(1)(b)] lead on this and can provide definitive advice.

[Redacted under Section 30 (b)(i/ii)] Bank closures and ATM access are UK-wide issues, and UKG is addressing them through the Banking Hub programme and new Access to Cash rules. Last September, the UK Economic Secretary secured industry agreement on 230 Banking Hubs by year-end across the UK.

As your quote notes, regulatory powers lie with UKG and the FCA, with whom we engage regularly. New FCA rules (from 18 Sept 2024) require banks to assess/address cash access gaps. The team worked to influence these rules so they reflect Scotland's geography, including distinct urban/rural definitions. They also hosted a ministerial roundtable with Minister Lochhead and industry. [Redacted under Section 30 (b)(i)]

[Redacted – out of scope]

Best,

[Redacted under Section 38(1)(b)]

ACCESS TO CASH AND BANKING SERVICES
Leads – [Redacted under Section 38(1)(b)]
Last updated: February 2025
Background
<ul style="list-style-type: none">□ The way that consumers in the UK pay for goods and services has changed in recent

years, moving away from cash to digital forms of payment. This transition has been further accelerated by the Covid-19 pandemic.

- This is a concern as, whilst cash usage is declining, many of the population are still very reliant on physical cash. As many as 8 million adults in the UK would struggle to cope in a cashless society and those who are most reliant on cash tend to be amongst the most vulnerable/disadvantaged in society.
- Scotland is the first nation in the UK to lose over half of its bank branches. Around 63% of bank branches across the UK have closed since January 2015, with Scotland being disproportionately affected, having lost 717 of its 1041 branches- 69% of its total. Of these, 692 have already closed, with an additional 25 scheduled to shut down as of February 2025.
- Any further reduction in bank branches/ATM's raises concerns around accessing cash and banking services, particularly for rural communities, vulnerable individuals and digitally excluded consumers. The Scottish Government recognises the important service that bank branches and ATMs provide to many individuals and businesses across Scotland.
- Banking Hubs are a welcome industry initiative from UK Finance's Cash Action Group.
- The Scottish Government shares the industry's aspiration that Banking Hubs can play an important role in servicing the banking needs of communities that have suffered recent branch closures.

SG Response – Top Lines

- The regulation of the financial services industry is reserved to the UK Government and, as such, Scottish Ministers are unable to directly intervene in the commercial decisions made by financial services firms to close bank branches and ATM's.
- The Scottish Government regularly engages with the banking sector in Scotland through bi-lateral ministerial meetings and through FISGAD. We will continue to urge all banks and financial services providers to listen to and address concerns customers have on access to physical bank branches and cash services.
- Scottish Government convened a cross-party roundtable on 'Access to Cash and Banking Services in Scotland' on 2 October 2024, hosted by the Minister for Business. LBG attended alongside other banks and representatives from the sector including the FCA, LINK, Cash Access UK and the Post Office.
- This group was convened to discuss the FCA's new regulatory remit which came into force on 18 September 2024 and the impact of bank branch closures on Scotland's communities. It explored how the Scottish Government, elected representatives in Scotland and the financial services ecosystem can work collaboratively to ensure there are long-term and sustainable solutions to protect access to cash and essential banking services for the people of Scotland.

New FCA Rules for Access to Cash and Banking Services

- The UK Government have full regulatory powers for the financial services industry,

including access to cash.

- The FCA's new rules on access to cash came into force on 18 September 2024 requiring banks and building societies to assess and fill gaps, or potential gaps, in cash access provision.
- The new rules require designated banks and building societies to assess local cash needs before closing branches or ATMs, engage with local communities, provide suitable alternative services and maintain existing services until those alternative services are available.
- The rules also reflect Scotland's unique geography and ability to access cash services by specifying separate definitions of 'urban' and 'rural' for Scotland.
- The Scottish Government was actively involved in the consultation for these new rules and our feedback has helped to ensure that the unique geography of Scotland was considered when assessing the accessibility of nearby alternative services.
- Individuals and communities can request a review of their area at any time if they do not feel they have reasonable access to cash.

[Redacted under Section 30 (b)(ii)]

A Scottish Government spokesperson said:

“The UK Government has responsibility for the regulation of the financial services industry, and we will continue to work with them and to engage with the industry to ensure communities have long term, sustainable access to essential banking services.”

“Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.”

Useful sources for data:

- [Statistics on access to cash, bank branches and ATMs - House of Commons Library \(parliament.uk\)](#)
- [Previous access to cash coverage data | FCA](#)
- [LINK / Statistics and trends](#)
- [Bank branch closures: is your local bank closing? - Which?](#)

Additional background information for briefings in [Annex A](#)

From: [Redacted under Section 38(1)(b)]

Sent: 26 May 2025 16:25

To: SCA : Business Resilience Unit <DLEEBBEREDBBU@gov.scot>; Andrew Hogg <Andrew.Hogg@gov.scot>;

[Redacted under Section 38(1)(b)] DG Economy <DGEconomy@gov.scot>; Director of Economic Development <DirectorDED@gov.scot>; [Redacted under Section 38(1)(b)]

Andrew Hogg <Andrew.Hogg@gov.scot>; Richard Rollison
<Richard.Rollison@gov.scot>; [Redacted under Section 38(1)(b)]
Cc: Communications Deputy First Minister, Economy and Gaelic DFMEG@gov.scot [Redacted under
Section 38(1)(b)]
Communications Duty Box
<CommunicationsDutyBox@gov.scot>; [Redacted under Section 38(1)(b)]
Subject: POLICY VIEW BY 1030 TUES PLEASE - BID: ITV Borders on bank branch closures and ATM
machines

Hi all,

ITV Borders will be running a piece tomorrow night on closure of bank branches and lack of ATM cash points in the Scottish Borders. They have put in a bid to speak to Ms Forbes regarding this at some point tomorrow morning/afternoon. Please extend copy list if needed.

[Redacted under Section 30 (b)(ii)]

Best,
[Redacted under Section 38(1)(b)]

STARTER RESPONSE

A Scottish Government spokesperson said:

“Financial services are wholly reserved to the UK Government. We are acutely aware of the frustration and concerns that are felt by many about the overall decline in in-person banking services across Scotland. The closure of bank branches and ATMs is of great concern as we believe that the ability to access cash is essential in our society and that in-person banking still plays an important role in our communities.

[Redacted under Section 30 (b)(ii)]

[Redacted under Section 38(1)(b)]

Virgin Money – Email Chain (1)

From: [Redacted under Section 38(1)(b)] Minister for Business
Sent: 29 May 2025 15:20
To: [Redacted under Section 38(1)(b)] Minister for Business
Cc: [Redacted under Section 38(1)(b)]
Subject: RE: FOR DECISION: Diary Enquiry and Policy Advice - Meeting with Virgin Money Chief Executive, Chris Rhodes/Launch of Digital and Financial Inclusion Scotland Report

Hi [Redacted under Section 38(1)(b)]

Thank you for your email and apologies for the delay. On this occasion, the Minister will decline the polite invitation and looks forward to meeting Chris Rhodes at a later date.

Kind regards,

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)]
Sent: 28 May 2025 10:20
To: Minister for Business <MinisterforBusiness@gov.scot>
Cc: [Redacted under Section 38(1)(b)]
Subject: RE: FOR DECISION: Diary Enquiry and Policy Advice - Meeting with Virgin Money Chief Executive, Chris Rhodes/Launch of Digital and Financial Inclusion Scotland Report

Hi [Redacted under Section 38(1)(b)]

[Redacted under Section 30 (b)(i/ii)]

If the Minister would prefer to meet with Chris Rhodes (Chief Exec) to discuss wider issues like acquisition, branch promise, business banking as part of a mutual etc., there is an opportunity to do this at an alternate time. [Redacted under Section 30 (b)(i/ii)]

Thanks

[Redacted under Section 38(1)(b)]

From: [Redacted under Section 38(1)(b)] Minister for Business Sent: 20 May 2025 14:25
To: Minister for Business MinisterforBusiness@gov.scot [Redacted under Section 38(1)(b)]Emily Mackintosh <Emily.Mackintosh@gov.scot>; Spads Admin <Spads_Admin@gov.scot>
Subject: RE: FOR DECISION: Diary Enquiry and Policy Advice - Meeting with Virgin Money Chief Executive, Chris Rhodes/Launch of Digital and Financial Inclusion Scotland Report

[Redacted – out of scope]

From: [Redacted under Section 38(1)(b)] Minister for Business
Sent: 19 May 2025 16:21
To: [Redacted under Section 38(1)(b)] Minister for Business <MinisterforBusiness@gov.scot>
Cc: [Redacted under Section 38(1)(b)] Emily Mackintosh <Emily.Mackintosh@gov.scot>; Spads Admin <Spads_Admin@gov.scot>
Subject: RE: FOR DECISION: Diary Enquiry and Policy Advice - Meeting with Virgin Money Chief Executive, Chris Rhodes/Launch of Digital and Financial Inclusion Scotland Report

This email is for the official record and confirms a Ministerial Decision. This email must be placed in the official record (eRDM) by your team in line with [SG records management policy](#).

Hi [Redacted under Section 38(1)(b)]

Mr Lochhead has noted and is content to accept the meeting request and to provide the foreword.

[Redacted – out of scope]

[Redacted under Section 38 (1)(b)]

All e-mails and attachments sent by a Ministerial Private Office to any other official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments.

Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

From: [Redacted under Section 38 (1)(b)]
Sent: 13 May 2025 17:40
To: Minister for Business <MinisterforBusiness@gov.scot>
Cc: [Redacted under Section 38 (1)(b)] Emily Mackintosh <Emily.Mackintosh@gov.scot>; Spads Admin <Spads_Admin@gov.scot>
Subject: FOR DECISION: Diary Enquiry and Policy Advice - Meeting with Virgin Money Chief Executive, Chris Rhodes/Launch of Digital and Financial Inclusion Scotland Report

Hello

Please find attached the findings from recent research commissioned by Virgin Money on financial and digital inclusion.
[Redacted under Section 33 (1)(b)]

[Redacted – out of scope]

[Redacted – out of scope]

- Virgin Money branches are now included in Nationwide's Branch Promise which means that every Nationwide and Virgin Money branch will remain open until at least the start of 2028.
- This is a useful opportunity to follow up the cross-party roundtable discussion on access to cash and banking services the Minister hosted in October 2024 where wider issues of inclusion were discussed to address the impact of branch closures in Scottish communities.
- [Redacted - out of scope]

- [Redacted – out of scope]

[Redacted – out of scope]

[Redacted under Section 38 (1)(b)]

Virgin Money – Summary of Report (brief)

Tackling the barriers to financial and digital exclusion report

Digital and financial exclusion impacts people across the UK and the effects of this exclusion can be devastating. The Virgin Money/WPI report “Tackling the barriers to financial and digital exclusion” aims to augment research already conducted in this space (which tends to centre on the extreme ends of exclusion) by exploring the experiences of different generations across the wider population to assess emerging gaps in inclusion across the population.

[Redacted under Section 33 (1)(b)]

Through original polling with 3000 adults, 250 12-17-year-olds, focus group research and stakeholder discussions, the main report sets out:

- The scale of the digital and financial exclusion problem – who is affected and how are digital/financial exclusion linked.
- The cost of the problem – what are the personal, societal and economic costs of digital and financial exclusion.
- What can be done by industry and policymakers to tackle the problem and what the benefits of action would be.

[Redacted under Section 33 (1)(b)]

[Section redacted under Section 33 (1)(b)]

[Section redacted under Section 33 (1)(b)]

Financial and Professional Business Services Core Brief

CONTENT UPDATES TRACKER

[Pages 0-19 have been redacted as they are out of scope]

Background

- The way that consumers in the UK pay for goods and services has changed in recent years, moving away from cash to digital forms of payment. This transition has been further accelerated by the Covid-19 pandemic.
- This is a concern as, whilst cash usage is declining, many of the population are still very reliant on physical cash. As many as 8 million adults in the UK would struggle to cope in a cashless society and those who are most reliant on cash tend to be amongst the most vulnerable/disadvantaged in society.
- Scotland is the first nation in the UK to lose over half of its bank branches. Around 63% of bank branches across the UK have closed since January 2015, with Scotland being disproportionately affected, having lost 717 of its 1041 branches- 69% of its total. Of these, 692 have already closed, with an additional 25 scheduled to shut down as of February 2025.
- Any further reduction in bank branches/ATM's raises concerns around accessing cash and banking services, particularly for rural communities, vulnerable individuals and digitally excluded consumers. The Scottish Government recognises the important service that bank branches and ATMs provide to many individuals and businesses across Scotland.
- Banking Hubs are a welcome industry initiative from UK Finance's Cash Action Group.
- The Scottish Government shares the industry's aspiration that Banking Hubs can play an important role in servicing the banking needs of communities that have suffered recent branch closures.

SG Response – Top Lines

- The regulation of the financial services industry is reserved to the UK Government and, as such, Scottish Ministers are unable to directly intervene in the commercial decisions made by financial services firms to close bank branches and ATM's.
- The Scottish Government regularly engages with the banking sector in Scotland through bi-lateral ministerial meetings and through FISGAD. We will continue to urge all banks and financial services providers to listen to and address concerns customers have on access to physical bank branches and cash services.
- Scottish Government convened a cross-party roundtable on 'Access to Cash and Banking Services in Scotland' on 2 October 2024, hosted by the Minister for Business. LBG attended alongside other banks and representatives from the sector including the FCA, LINK, Cash Access UK and the Post Office.
- This group was convened to discuss the FCA's new regulatory remit which came into force on 18 September 2024 and the impact of bank branch closures on Scotland's communities. It explored how the Scottish Government, elected representatives in Scotland and the financial services ecosystem can work collaboratively to ensure there are long-term and sustainable solutions to protect access to cash and essential banking services for the people of Scotland.

New FCA Rules for Access to Cash and Banking Services

- The UK Government have full regulatory powers for the financial services industry, including access to cash.
- The FCA's new rules on access to cash came into force on 18 September 2024 requiring banks and building societies to assess and fill gaps, or potential gaps, in cash access provision.
- The new rules require designated banks and building societies to assess local cash needs before closing branches or ATMs, engage with local communities, provide suitable alternative services and maintain existing services until those alternative services are available.
- The rules also reflect Scotland's unique geography and ability to access cash services by specifying separate definitions of 'urban' and 'rural' for Scotland.
- The Scottish Government was actively involved in the consultation for these new rules and our feedback has helped to ensure that the unique geography of Scotland was considered when assessing the accessibility of nearby alternative services.
- Individuals and communities can request a review of their area at any time if they do not feel they have reasonable access to cash.

[Redacted under Section 30 (b)(i)]

A Scottish Government spokesperson said:

“The UK Government has responsibility for the regulation of the financial services industry, and we will continue to work with them and to engage with the industry to ensure communities have long term, sustainable access to essential banking services.”

“Bank branches provide an important service for people and businesses across Scotland and closures are concerning - particularly for rural communities, vulnerable individuals and digitally excluded customers who may struggle to access cash and services.”

Useful sources for data:

- [Statistics on access to cash, bank branches and ATMs - House of Commons Library \(parliament.uk\)](#)
- [Previous access to cash coverage data | FCA](#)
- [LINK / Statistics and trends](#)
- [Bank branch closures: is your local bank closing? - Which?](#)

Additional background information for briefings in [Annex A](#)

[Pages 22-34 have been redacted as they are out of scope]