

The Changing Geography of British Bank and Building Society Branch Networks, 2003-2012.



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Key Findings

- There was a net loss of nearly 7,500 bank and building society branches between 1989 and 2012; more than 40% of all branches. Since 1995 over 4,800 branches have been lost and more than 1,800 (or 15%) in the period 2003 to 2012 alone.
- The rate of branch closure has slowed somewhat in the 2000s: the annual rate of net decline in bank branches was -2.5% between 1995 and 2003, but only -1.7% between 2003 and 2012.
- Geographical variability of branch closure has become more pronounced since 2003. Areas with the highest rate of closure (*Traditional Manufacturing*) lost branches at a rate 3.5 times higher than areas with the lowest rate of decline (*Suburbs and Small Towns*) in the period from 2003 to 2012.
- Areas with above average rates of branch closure (1995-2012) are largely urban and notably less affluent. The two areas that experienced the largest decline (-39%), *Traditional Manufacturing* and *Built-up Areas*, are characterized by unemployment rates and levels of renting from the public sector that are far above the national average.
- Conversely, the areas with the lowest rates of net closure since 1995 can be described as 'middle England' in character.
- Comparison of the aggregate differential rates of closure in these two categories of geodemographic area, relative to their share of population, suggests that the least affluent third of the population has borne the brunt of two thirds of net closures from 1995 to 2012.
- The closure pattern also indicates that branch networks are being recalibrated to reflect the geography of population.
- In the context of calls for the creation of 'challenger banks' the report questions the efficacy of the Lloyds and RBS branch divestments. A challenge to the dominance of the big four would require the ceding of branches from Barclays or HSBC, which have gone further in adjusting their branch networks to the changing economic geographies of Britain, rather than from RBS or Lloyds, which have more branches in areas from which Barclays and HSBC have already shown a propensity to withdraw.

1. Background

Some financial commentators are dismissive of the significance of bank branches, which are considered to be inefficient and expensive legacies of a pre-digital banking system (King, 2012). Branches are indeed no longer central to banking businesses in the way they once were. In the past 25 years their power has ebbed away. The core competencies of retail banking are effective credit scoring and customer relationship management systems, both of which enable banks to manage their clients at a distance. Moreover, banks are no longer as reliant on branches for raising funds, which in normal financial conditions can be raised directly and cheaply in wholesale markets.

Branches were even erased from policy debates where they might seem to matter, such as debates on financial exclusion, (French et al, 2008). Physical access to branches was seen to be just one of a set of different forms of financial exclusion (Devlin, 2005), while the closure

of branches was considered to be a natural outcome of competition between financial institutions in a market economy.

However, in the wake of the Global Financial Crisis, the role and significance of the retail financial services branch is not so easily dismissed. An early iconic image of the crisis was of the long queues forming outside Northern Rock branches as anxious savers massed to rescue their money from the troubled bank. Moreover, those banks that had sought to break the bounds of their branch-based deposit bases by seeking funding through wholesale markets were particularly badly damaged by the credit crunch as these markets became illiquid. Banks that had retained large branch networks and a local depositor base tended to be much less badly affected by the credit crunch as they had their own funds to draw upon.

Post-financial crisis, bank branches were reappraised. They had value as competitive assets that provided funding, which at the same time provided a sense of material security about the tangibility of the financial system to anxious customers. The new appreciation of branches began to be reflected in bank advertising which promoted the role of branches in the wake of the crisis (e.g. Lloyds TSB, NatWest). The branch, and the face-to-face service and the advice that could be obtained in them, were also placed at the centre of the business models of new entrants to the UK retail banking industry (e.g. Metro Bank) as service features that would attract customers disillusioned by the large incumbent banks.

In addition, branches have begun once again to feature more prominently in policy debates. In response to an EU competition ruling on state aid to RBS and Lloyds TSB, both banking groups have been compelled to divest hundreds of branches as the EU considers branches to be an key index of market power (Lloyds are in the process of organizing both a demerger from the TSB brand and a sale of branches, although negotiations with the Co-operative Bank regarding the latter recently broke down, for example).

Similarly, in 2012 the opposition Labour Party called for the creation of 'challenger banks' within the UK retail financial sector, which should be bolstered by taking over branches divested from larger incumbents, as way of creating a more competitive retail banking system that would be more focused on customers. In so doing, the Labour Party referred indirectly to the US Community Reinvestment Act, hinting that government could force UK banks to disclose information on the geography of their lending behaviour to identify socio-spatial exclusionary practices at a time when "some of the most deprived areas of the country are almost entirely excluded from banking services" (Milliband, 2012). This reflects a growing concern about the growth of 'predatory lending' institutions targeted at poorer customers as traditional door-to-door money lenders have been joined by a new cohort of payday loans companies that offer short-term loans at very high rates of interest.

The report considers the changing geography of bank and building society branches in Britain against this background. It is based on two strands of analysis. The first is an analysis of a longitudinal database which records the location of the branches of major bank and building societies at four survey points: 1989, 1995, 2003 and 2012. The second is a cross-sectional analysis of the location of all bank and building societies in 2012 by different types of geodemographic area. The analysis is based on an existing dataset of branches for the periods 1989, 1995 and 2003 (see Leyshon et al. 2008) which was updated for

2012 by incorporating branch data sourced from Experian's Shop*Point and Goad databases¹.

2. Branch closure, 1989-2012

A longitudinal analysis of the major banks and building societies reveals that the number of branches in Britain has been in constant decline since 1989, although the pace of decline has fluctuated over the period. There has been a net loss of nearly 7,500 branches between 1989 and 2012, which equates to more than two fifths of all bank and building society branches (Table 1). Over 4,800 branches have been lost since 1995 and more than 1,800 (or 15%) of bank and building societies branches in the period 2003 to 2012 alone. However, Table 1 also shows that the rate of closure slowed in the 2000s. The annual rate of net decline in bank branches was -2.5% between 1995-2003, but only -1.7% between 2003-2012. The rate of decline for major building societies has been slower than that of banks, with the number of branches falling by a third since 1989. Previous research suggests that mutuality has acted as a brake on branch rationalization (Leyshon et al. 2008). However, Table 1 also suggests that the rate of net decline in the size of the branch networks of the major building societies accelerated in the 2000s, driven partly by consolidation among medium and large building societies (such as the merger of the Chelsea and the Yorkshire, the acquisition of the Derbyshire and the Portman by Nationwide, and the change from building society to part of the Co-operative banking group in the case of the Britannia, for example).

While the overall reduction in the aggregate number of bank and building society branches was slower in the period between 2003 and 2012 compared to that between 1995 and 2003, falling from -20% to -15% respectively, since 2003 the geographical variability of branch closure has become more pronounced (Table 2). This is illustrated by an analysis of net closures by geodemographic areas known as Supergroups (Figure 1) (see technical appendix for a detailed definition). Table 2 shows that there has been a marked consistency in the geodemographic areas with the highest rate of branch closure. The areas with above average rates of branch closure between 1995 and 2012 were urban in character and, with the exception of areas categorized as *Prospering Metropolitan*, were also notably less affluent: these were the *Traditional Manufacturing*, *Built-up Areas*, *Student Communities* and *Multi-cultural Metropolitan* Supergroup areas. The two areas that experienced the largest decline (-39%) in the number of branches since 1995, *Traditional Manufacturing* and *Built-up Areas*, are characterized by unemployment rates and levels of renting from the public sector that are far above the national average, for example. Similarly, those areas with below average rates of net closure have also remained constant over the period, being *Suburbs and Small Towns*, *Industrial Hinterlands*, and *Coasts and Countryside*. The rate of net closure in *Traditional Manufacturing* and *Built-up Areas* has been nearly twice that experienced in *Suburbs and Small Towns*, which experienced the smallest reduction in branches (-22%). In terms of their socioeconomic character, the areas with the lowest rates of net closure since 1995 can all be described as 'middle England' in character, in that they exhibit no socioeconomic variables that are far above or below the national average. Comparison of the aggregate differential rates of closure in these two categories of geodemographic area, relative to their share of population, suggests that the least

affluent third of the population has borne the brunt of two thirds of net closures from 1995 to 2012.

Moreover, the net branch closure rates within these two categories of geodemographic area has noticeably widened since the mid-1990s. Between 2003 and 2012 the areas with the highest rate of closure (*Traditional Manufacturing*) lost branches at a rate that was 3.5 times higher than the areas with the lowest rate of decline (*Suburbs and Small Towns*). As Table 2 indicates, this geographical variation in closure rates was much greater than in the 1995-2003 period. An earlier analysis of the branch network between 1995-2003 noted the geographical shift of the branch network towards the 'middle England' geodemographic areas through a differential rate of branch closure (Leyshon et al, 2008). The current analysis suggests that this process accelerated between 2003 and 2012, with the more affluent areas increasing their share of branch networks as a result.

3. Explaining branch closure

The drivers of bank branch closure are reasonably well understood, and have been explained in earlier related analyses (French et al, 2008; Leyshon et al, 2008), so a brief summary will suffice here.

Branches are relatively expensive ways of selling financial services, and over time have been supplemented by alternative ways of customer interaction and service provision, ranging from ATMs, through telephone banking, to on-line and mobile applications. If demand moves to newer channels, then branch closures may well result from a perceived over capacity and a lack of 'footfall'.

The branch networks of financial institutions may be seen as 'legacy systems' of successive periods of economic growth and expansion. However, as the economic geography of Britain has changed, in line with broader forces of restructuring and transformation, so financial institutions have also sought to readjust their branch networks in line with changing geographies of growth and decline, and of the rise and fall of retail financial markets in particular places.

Table 3 compares the share of branches with population in different types of geodemographic area. A perfectly matching share of branches and population would produce a score of 100; a score of more than 100 would indicate a higher than expected share of branches based on the underlying population, while a score of less than 100 indicates a lower than expected share of branches.

Three areas – *Built-Up Areas*, *Prospering Metropolitan* and *Student Communities* – had a significantly higher share of branches in relation to population at all three survey points (1995, 2003 and 2012), although over time the share of branches moved more into line with that of population as the number of branches per capita declined. At the same time, one area that had an overrepresentation of branches in 1995 was underrepresented by 2012 due to the pace of branch closure (*Metropolitan Multicultural*), while another (*Coastal and Countryside*) moved in the opposite direction, from an underrepresentation of branches in 1995 to an overrepresentation by 2012.

The analysis also reveals that branches have become increasingly concentrated relative to population within a number of areas: *Coastal and Countryside*, *Suburbs and Small Towns* and *Industrial Hinterlands*. Meanwhile, there were significant reductions in the number of branches relative to the population in *Built-up Areas*, *Prospering Metropolitan*, and *Student Communities*. This pattern of change suggests that adjusting branch networks more closely to the geography of population is an important driver of change, as the latter three areas are the most 'over-branched' – that is, have the most branches per capita – while those areas with the lowest rates of decline are also the most 'under-branched'. However, caution must be exercised when interpreting such findings as the very high branch per capita figures for *Built-up Areas*, *Prospering Metropolitan*, and *Student Communities* are partly a product of the fact that such areas are likely to include the

¹ In order to provide the most complete list of records, the address details of some of the longer established branches were gathered manually from the bank and building society websites as many postcodes have changed or were incomplete. The final dataset was geocoded at unit postcode level and a GIS was used to ascertain the geodemographic area that each branch is located within for each year. The figures in the report were then calculated using this master dataset.

central business districts of urban agglomerations and so contain branches which serve a geographically dispersed population.

4. Policy implications

On the basis of this analysis, Labour's recent recommendation that leading banks be compelled to hand over a significant proportion of their branches to new 'challenger banks' may not be as punitive a sanction as it might appear. The enforced sale of branches to new competition may mean the loss of a few prime locations, but the erosion of physical infrastructure hardly goes against the grain of the UK retail banking industry. Branch divestment has been an objective of the leading banks for the past 25 years.

Any such policy would therefore have to be careful not to expedite the shedding of locations that banks would be all too happy to abandon and where they may be maintaining a presence in part to avoid the bad publicity generated when they close the last branch in a community. This latter process has been well documented over many years by organizations such as the Campaign for Community Banking Services which has estimated that there are currently 887 'sole bank' and 444 'dual bank' communities in the UK (CCBS, 2012a).

The analysis revealed that there are marked differences between the leading banks in the geography of their branch networks (Table 4). Thus, banks such as Barclays and HSBC have been pace-setters in the restructuring of their branch networks and are more closely aligned with more affluent geodemographic areas. However, banks such as Santander and, to a lesser extent, RBS and Lloyds TSB have lagged behind in the process of spatial restructuring.

Notwithstanding the recent collapse of the Co-operative Bank's bid to buy the divested Lloyds branches and the apparent failure of Virgin Money's bid for RBS's branches, these are arguably the two institutions that are best placed to take on the mantle of 'challenger bank'. The branch networks of the Co-operative bank and Virgin bank are more skewed towards less affluent built-up areas than is the average within the sector, and also are relatively under-banked in more affluent areas (Table 5). For competitor banks to properly challenge the large incumbents the analysis suggests that it would be more effective to take branches from Barclays or HSBC, which have gone further in adjusting their branch networks to the changing economic geographies of Britain, than from RBS or Lloyds, which have more branches in areas from which Barclays and HSBC have already shown a propensity to withdraw. It is significant in this regard that as other commentators have made clear both the 632 Lloyds branches and the 316 RBS branches divested in response to the EU competition ruling are highly geographically skewed: they are biased towards Scotland and the north of England in the case of Lloyds, of which approximately 15% are in 'sole' or 'dual' bank communities (CCBS, 2011); and the north-west of England in the case of RBS (Goff, 2009). Moreover, there remains a significant risk that without an ability to vet any additional branches transferred from the nationalised banks through such a policy then challenger banks could be loaded with a branch network that would fail to provide them with a sound basis on which to compete with existing incumbents.

In addition, the faster than average withdrawal of branches from poorer socio-economic areas raises concerns about the extent to which different types of financial institutions are present in areas of economic distress, and the implications of this. As mainstream financial institutions continue to pull out of economically distressed areas as part of wider strategies of adjustment, so they are replaced by more predatory forms of financial institution. While such institutions provide credit to borrowers that might be rejected by mainstream institutions, the risk of such credit is priced accordingly, with the danger that distinctive and highly socially and economically uneven 'financial ecologies' are emerging in Britain, characterised by spatially distinctive financial markets and institutions.

5. Conclusions

The process of bank and building branch closure in Britain has entered its third decade. While the rate of closure has slowed more recently, this is in part a reflection of the much reduced stock of branches over the period. The number of bank branches has nearly halved since the late 1980s, while over the same period the number of building society branches have shrunk by a third. The loss of 7,500 branches since 1989 has by some estimates left 1,200 communities without a bank branch (CCBS, 2012b).

While closures are happening everywhere, the rate of closure varies geographically. Thus, two thirds of branch closures have occurred in areas comprised of the least affluent third of the population. This is in part a result of financial institutions seeking to bring over-branched areas into line with the norm but also a reflection of the underlying economic geography so that within a process of overall decline there have been a proportional shift of the overall branch network to more affluent areas as branches elsewhere are closed at a much faster rate. Moreover, there are indications that we might be on the brink of a new wave of branch rationalization programmes (see for example McConnell, 2013).

The analysis indicates that the Labour Party's suggestion that challenger banks in the UK could receive the gift of ready-made branch networks would not be sufficient in itself for any new challenger banks to be competitive. Labour's reconsideration of the banking sector is certainly welcome, and has the potential to be an important intervention in public policy in this area. But to be effective it requires close and consistent attention to the highly uneven geographies of financial provision and the contemporary practices of 21st-Century retail banking.

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Table 1: Branch networks of major banks and building societies, Great Britain, 1989-2012.

Type	Branches				Change (%)			1989-2012
	1989	1995	2003	2012	1989-1995	1995-2003	2003-2012	
Banks	16,132	13,754	10,779	9,210	-14.74%	-21.63%	-14.56%	-42.91%
Building Societies	1,699	1,478	1,403	1,138	-13.01%	-5.07%	-18.89%	-33.02%
Total	17,831	15,232	12,182	10,348	-14.57%	-20.02%	-15.05%	-41.96%

Note: See technical appendix for details of banks and building societies included in the longitudinal analysis.

Table 2: Branch network changes of the major bank and building societies by Supergroup area, Great Britain, 1995-2012.

Supergroup	Total Branches 1995 [^]	Total Branches 2003 [^]	Total Branches 2012	Net Change 1995 - 2003	Percent Change 1995 - 2003	Net Change 2003 - 2012	Percent Change 2003 - 2012	Percent Change 1995 - 2012	Share of Branches 1995	Share of Branches 2012
Industrial Hinterlands	1,873	1,524	1,431	-349	-18.63%	-93	-6.10%	-23.60%	12.62%	13.83%
Traditional Manufacturing	1,677	1,303	1,022	-374	-22.30%	-281	-21.57%	-39.06%	11.30%	9.88%
Built-up Areas	1,832	1,424	1,117	-408	-22.27%	-307	-21.56%	-39.03%	12.35%	10.79%
Prospering Metropolitan	1,431	1,111	892	-320	-22.36%	-219	-19.71%	-37.67%	9.64%	8.62%
Student Communities	1,829	1,442	1,183	-387	-21.16%	-259	-17.96%	-35.32%	12.33%	11.43%
Multicultural Metropolitan	1,040	795	678	-245	-23.56%	-117	-14.72%	-34.81%	7.01%	6.55%
Suburbs and Small Towns	2,651	2,209	2,073	-442	-16.67%	-136	-6.16%	-21.80%	17.87%	20.03%
Coastal and Countryside	2,341	1,942	1,793	-399	-17.04%	-149	-7.67%	-23.41%	15.78%	17.33%
Accessible Countryside*	164	128	159	-36	-21.95%	31	24.22%	-3.05%	1.11%	1.54%
Total	14,838	11,878	10,348	-2,960	-19.95%	-1,530	-12.88%	-30.26%	100.00%	100.00%

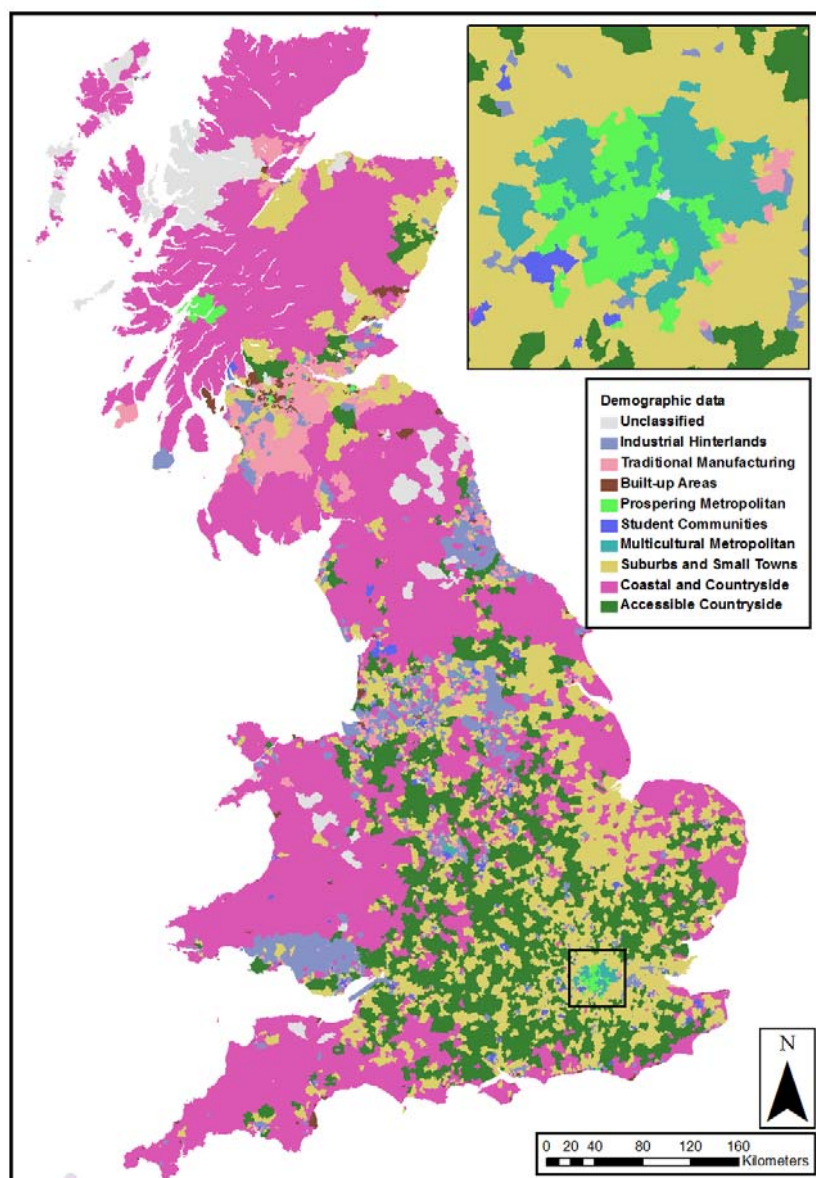
Note:

[^]The analysis includes 97.5 per cent of total branches open in 1995, and 93 per cent of openings between 1995 and 2003 - branches which could not be geocoded, that is given a location, were excluded from the analysis.

*Due to the low number of branches in this Supergroup the margin of error was such that these data were considered insufficiently robust for analysis and so *Accessible Countryside* areas have not been considered in the report. The data is presented here for information purposes only.

See technical appendix for details of banks and building societies included in the longitudinal analysis.

Figure 1: The geography of ONS Supergroups, Great Britain, 2012.



Note: Map was created using ESRI ArcGIS 9.3.

Table 3: Index of the branch networks of major bank and building societies by Supergroup, Great Britain, 1995-2012.

Supergroup	Index of Branches 1995	Index of Branches 2003	Index of Branches 2012	Change 1995 - 2012
Industrial Hinterlands	64	65	72	8
Traditional Manufacturing	97	94	83	-14
Built-up Areas	373	364	315	-58
Prospering Metropolitan	259	254	230	-29
Student Communities	246	242	225	-21
Multicultural Metropolitan	104	100	96	-8
Suburbs and Small Towns	65	67	73	8
Coastal and Countryside	91	95	103	12
Accessible Countryside*	22	22	31	9

Note: See technical appendix for details of banks and building societies included in the longitudinal analysis; *See note for Table 2.

Table 4: Index of top five banking group branch networks by Supergroup, Great Britain, 2012.

Supergroup	Index of ALL Bank and BS Branches 2012 [^]	Lloyds TSB Group	Barclays Group	HSBC	RBS Group	Santander Group
Industrial Hinterlands	72	72	<u>82</u>	<u>76</u>	69	62
Traditional Manufacturing	83	<u>97</u>	65	65	78	<u>97</u>
Built-up Areas	315	<u>345</u>	223	247	<u>323</u>	<u>427</u>
Prospering Metropolitan	230	210	196	202	<u>263</u>	<u>289</u>
Student Communities	225	<u>231</u>	170	208	220	<u>296</u>
Multicultural Metropolitan	96	82	<u>104</u>	90	<u>100</u>	<u>120</u>
Suburbs and Small Towns	73	70	<u>83</u>	<u>78</u>	71	64
Coastal and Countryside	103	102	<u>121</u>	<u>127</u>	104	58
Accessible Countryside*	31	25	<u>41</u>	<u>36</u>	<u>35</u>	22

Note: [^]See technical appendix for details of ALL banks and building societies in the cross-sectional analysis; Indices higher than the average for ALL banks and BS are underlined; *See note for Table 2.

Table 5: Index of existing ‘challenger bank’ branch networks by Supergroup, Great Britain, 2012.

Supergroup	Index of ALL Bank and BS Branches 2012 [^]	Co-Operative Bank	Virgin Money/Northern Rock
Industrial Hinterlands	72	51	54
Traditional Manufacturing	83	<u>102</u>	<u>171</u>
Built-up Areas	315	<u>437</u>	<u>323</u>
Prospering Metropolitan	230	<u>280</u>	<u>505</u>
Student Communities	225	<u>357</u>	<u>453</u>
Multicultural Metropolitan	96	<u>150</u>	<u>119</u>
Suburbs and Small Towns	73	42	24
Coastal and Countryside	103	74	8
Accessible Countryside*	31	18	26

Note: [^]See technical appendix for details of ALL banks and building societies in the cross-sectional analysis; Indices higher than the average for ALL banks and BS are underlined; *See note for Table 2.

TECHNICAL APPENDIX.

Longitudinal analysis of the branch networks of MAJOR bank and building societies: Tables 1, 2 & 3.

Due to limited access to data the previous study conducted by the authors for the period 1989-2003 was based on an analysis of the branch networks of the largest banks and building societies, rather than the whole of the market (see Leyshon et al. 2008). In order to control for this the longitudinal analysis in the current report has been based, as far as possible, on the same subset of institutions, see below.

Banks:

1989-2003: Abbey National (converted to public limited company in 1989); Alliance & Leicester (1997); Barclays; Birmingham Midshires (1999); Bradford & Bingley (2000); Bristol & West (1997); Cheltenham & Gloucester (1995); Halifax (1997); HBOS; HSBC; Lloyds-TSB; RBS-Natwest; National Provincial (1996); Northern Rock (1997); and Woolwich Equitable (1997).

2012: Abbey; Alliance & Leicester; Bank of Scotland; Barclays; Birmingham Midshires; Bradford & Bingley; Cheltenham & Gloucester; Halifax; HSBC; Lloyds TSB; Natwest; Northern Rock; Royal Bank of Scotland; Santander; and Woolwich.

Building Societies:

1989-2003: Britannia; Chelsea; Coventry; Derbyshire; Leeds & Holbeck; Nationwide; Portman; Skipton; West Bromwich; and Yorkshire.

2012: Chelsea (now part of Yorkshire group); Coventry; Derbyshire (now part of Nationwide group); Leeds; Nationwide; Portman (now part of Nationwide group); Skipton; West Bromwich; and Yorkshire.

Cross-sectional analysis of the branch networks of ALL banks and building societies: Tables 4 & 5.

Banks:

2012: Banks included in the longitudinal analysis PLUS: Britannia; Co-operative Bank; Coutts & Co; Clydesdale Bank; Isle of Man Bank; Metro Bank; Sainsbury's Bank; Unity Trust Bank; Virgin Money; and Yorkshire Bank.

Building Societies:

2012: Building Societies included in the longitudinal analysis PLUS: Barnsley; Bath; Beverley; Buckinghamshire; Cambridge; Century; Chesham (now part of Skipton group); Cheshire; Chorley; Cumberland; Darlington; Dudley; Dunfermline; Earl Shilton; Ecology; Furness; Hanley Economic; Harpenden; Hinckley and Rugby; Holmsdale; Ipswich; Jamaica National; Kent Reliance; Leek United; Loughborough; Manchester; Mansfield; Market Harborough; Marsden; Melton Mowbray; Monmouthshire; National Counties; Newbury; Newcastle; Norwich and Peterborough; Nottingham; Penrith; Principality; Progressive; Saffron; Scottish; Shephed; Stafford Railway; Stroud and Swindon (now part of Coventry group); Swansea; Teachers; The Cambridge; Tipton and Coseley; Universal (now part of Newcastle group); and Vernon Building Societies.

ONS 'Supergroup' definitions.

<i>Supergroup</i>	<i>Group</i>	<i>Variables</i>	<i>Geography</i>
Industrial Hinterlands (19.6% of the UK population)	Industrial Areas Out of Town Housing	No variables with a proportion far above the national average. No variables with a proportion far below the national average.	Areas concentrated in the south of Wales and Scotland and in the north of England. Most typical wards: - Newton East in St. Helens. - Morgan Jones in Caerphilly. - Hindsford in Wigan.
Traditional Manufacturing (11.7% of the UK population)	Built-up Manufacturing Transitional Economies	Variables with a proportion far above the national average: - People who are unemployed. - Household spaces rented from the public sector. - People who work in routine occupations. - Household spaces which are terraced. Variables with a proportion far below the national average: - Household spaces which are detached. - Households with two or more cars.	Areas scattered throughout northern England, Northern Ireland, parts of Wales and the south of Scotland. Most typical wards: - Longbridge in Birmingham. - Middleton Central in Rochdale. - Eston in Redcar and Cleveland.
Built-up Areas (3.3% of the UK population)	Built-up Areas	Variables with a proportion far above the national average: - People who are unemployed. - Household spaces rented from the public sector. - People of a working age suffering from limiting long-term illness. - Household spaces which are flats. - Households with one person (who is not a pensioner). Variables with a proportion far below the national average: - Household spaces which are detached. - Households with two or more cars. - Average number of rooms per household.	Areas concentrated in Scotland, but also throughout England, Wales and Northern Ireland. Most typical wards: - Linktown and Kirkcaldy in Central Fife. - Muirtown in Highland. - Troon West in South Ayrshire.

Prospering Metropolitan (3.7% of the UK population)	Prospering Metropolitan	Variables with a proportion far above the national average include: <ul style="list-style-type: none"> - People with a higher education qualification. - People who work in the finance industry. - People who are aged 25 to 44. - People who are not born in the UK. - Household spaces which are flats. - Households with one person (who is not a pensioner). Variables with a proportion far below the national average: <ul style="list-style-type: none"> - People who work in manufacturing. - People who work in routine occupations. - People aged 45-64. - Household spaces which are detached. 	Most areas are in London, but also cities like Glasgow, Manchester, Edinburgh, Dundee, and Aberdeen. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Turnham Green in Hounslow. - Fairfield in Croydon. - St Mary's Park in Wandsworth.
Student Communities (5% of the UK population)	Student Communities	Variables with a proportion far above the national average include: <ul style="list-style-type: none"> - People who are students. - People with a higher education qualification. - Household spaces which are flats. - Household spaces rented from the private sector. Variables with a proportion far below the national average include: <ul style="list-style-type: none"> - People who are aged 45-64 - Household spaces which are detached. - Households with non-dependent children. - People who provide unpaid care. 	Scattered throughout England, as well as some areas of Wales, south west of Scotland and Belfast. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Westgate in Canterbury. - Fishergate in York. - Eastney and Craneswater in Portsmouth.
Multicultural Metropolitan (6.7% of the UK population)	Multicultural Areas Inner City Multicultural	Variables with a proportion far above the national average include: <ul style="list-style-type: none"> - People who are unemployed. - Household spaces rented from the public sector. - People who travel to work using public transport. - People identifying as Black, Pakistani, Indian or Bangladeshi. - People who are not born in the UK. Variables with a proportion far below the national average include: <ul style="list-style-type: none"> - Household spaces which are detached. - Households with two or more cars. 	Concentrated in Greater London and Lancashire. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Markhouse in Waltham Forest. - Abbey in Barking and Dagenham. - Colindale in Barnet.
Suburbs and Small Towns (27.7% of the UK population)	Suburbs Prospering Suburbs Commuter Suburbs	No variables with a proportion far above the national average. No variables with a proportion far below the national average.	Areas scattered throughout the UK with the exception of London. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Bishop's Stortford All Saints and Sawbridgeworth in East Hertfordshire. - Wootton in Bedford.
Coastal and Countryside (17.3% of the UK population)	Countryside Senior Communities Out of Town Manufacturing Northern Ireland Countryside	No variables with a proportion far above the national average. No variables with a proportion far below the national average.	Located throughout the UK with the exception of south east England. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Thanet Villages in Thanet. - Market Rasen in West Lindsey. - Bromyard in County of Herefordshire.
Accessible Countryside (5.1% of the UK population)	Accessible Countryside	Variables with a proportion far above the national average: <ul style="list-style-type: none"> - Household spaces which are detached - Households with two or more cars. - People aged 45-64 - Households with two adults and no children Only variable with a proportion far below the national average is people who work in routine occupations	Areas scattered throughout England and Scotland, as well as concentrated in areas of the south of Wales and Northern Ireland. <p>Most typical wards:</p> <ul style="list-style-type: none"> - Meriden in Solihull. - Almondsbury in South Gloucestershire. - Eckington in Wychavon.

Source: Office for National Statistics (<http://www.ons.gov.uk/ons/guide-method/geography/products/area-classifications/ns-area-classifications/index/cluster-summaries/wards/index.html>).



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