



Northern Ireland
Assembly

**COMMITTEE FOR
FINANCE AND PERSONNEL**

**OFFICIAL REPORT
(Hansard)**

**Role of Local Banks in the Current
Economic Downturn**

23 September 2009

NORTHERN IRELAND ASSEMBLY

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FINANCE AND PERSONNEL**

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Members present for all or part of the proceedings:

Ms Jennifer McCann (Chairperson)
Mr Peter Weir (Deputy Chairperson)
Dr Stephen Farry
Mr Simon Hamilton
Mr Fra McCann
Mr Mitchel McLaughlin
Mr David McNarry
Mr Declan O'Loan
Mr Ian Paisley Jnr
Ms Dawn Purvis

Witnesses:

Mr Ben Christensen) Northern Bank
Mr Danny Stinton)

The Chairperson (Ms J McCann):

I welcome Ben Christensen and Danny Stinton. Ben is the deputy chief executive of the Northern Bank, and Danny is the head of strategic planning. Please give your presentation, which will be followed by members' questions. We have received your submission.

Mr Ben Christensen (Northern Bank):

We have attended a Committee meeting before.

The Chairperson:

Please just make some opening remarks about your submission. However, first, I must advise you that we are in public session.

Mr Ben Christensen:

Members have received our written evidence, and I hope that it answers their questions. The Northern Bank is a simple retail bank, as Lord Turner calls it, which has been in Northern Ireland for 200 years. We provide lending, we attract savings, and we offer payment services, and will continue to do so. We have not received any support from the UK or Irish Governments. We are an independent bank, and we hope to continue supporting business and personal customers in Northern Ireland.

Mr Paisley Jnr:

Thank you for your presentation. I understand why it was short and factual. The representatives of the other banks who gave evidence to the Committee told us that they have taken taxpayers' money and are using it. Therefore, in my view, those banks should be subject to examination and criticism. It is slightly harder for us to ask questions of representatives of a bank that is an independent and private organisation. In that light, will you give us an overview of what the Northern Bank is trying to do, with the caveat that you have not taken Government money? What is your bank doing to address the current financial situation for your customers who are having difficulties in the recession and the apparent lack of liquidity in many people's current accounts?

Mr Christensen:

We are working with all our customers who are facing financial difficulties, and we try to start working with them as early as possible. I have pretty close relationships with our business customers and our personal customers who are in financial difficulties, and we co-operate with various organisations, such as Citizens Advice and others, to ensure that we provide the best possible service. We have customers who have had problems with their mortgages, but we have been able to work things out with them. As a result, no repossessions have been initiated in the past three years, and we do not intend to initiate any in the near future. It is hard to predict what will happen after this year, but we try to assist our customers as much as possible. That is the way that we have always done things. We try not to make a marketing event out of what we are doing, because that is our normal practice. There are no indications that we will have to initiate repossessions.

Mr Danny Stinton (Northern Bank):

Mid-year, we also produced our first half-year financial results. Those demonstrate that we have tried to stay open for business. We have been a very prudent lender; the bank assesses loan proposals on the basis of affordability, which means that we have been able to manage a small but secure market share on the mortgage side of the book. Ben talked about our position on repossessions; we also have a very small number of arrears customers; that figure peaked in the first half of the year and is still less than 0.5%. In practice, we try to work through difficulties with our customers.

On the business side, the Committee asked a number of questions about our approach to lending. If we exclude the fluctuations of public sector activity, our overall lending book is 4% up in the first half of this year. Our income is down, because in overall terms, the decline in margin in the deposit book has offset the overall income figures. By virtue of strong cost control, our year-on-year profitability, excluding those exceptions, is roughly in line with previous years. We had a large provision for impairment charges in the first half of the year, but we hope that that reflects our prudent approach to managing the situation.

Mr Paisley Jnr:

Would you say that the other banks have something to learn from the way in which the Northern Bank has managed things over a longer period, given that it has not fallen into the same financial trap that they found themselves in? I know that you do not want to use it as a marketing tool.

Mr Christensen:

We cannot compare our financial situation with that of our competitors, because none of them provide financial information on their Northern Ireland operations. It is impossible to say whether they are doing far worse than we are. It sounds like some of them are doing OK, but we cannot tell because we cannot make comparisons. It would like comparing apples and pears. That would not be fair to any of our competitors. You asked whether they can learn from what the Northern Bank is doing. We hope that we are doing it right, and we will continue to work with customers in the way that we are doing so at the moment. I cannot comment on whether our competitors are doing things right. That would be unfair to our competitors.

Mr Paisley Jnr:

I would like it noted for the record that no repossessions have been made by the Northern Bank. That is an interesting point. Thank you.

Mr McLaughlin:

The submission indicates that the bank has not drawn down the money from the European Bank. The phrase is that it is, “not available to the Northern Bank”. Two of the bank’s main competitors have drawn down €100 million each. Since March, they have substantially deployed that money: €120 million in one case and €100 million in the other. It seems that the business is there. The advantage of the European Bank money is that it can be made available to local small and medium-sized enterprises (SMEs) at favourable rates. Will you explain why the Northern Bank is not involved in that, given the pressures that are being suffered by indigenous firms?

Mr Christensen:

It is important to understand that European Investment Bank (EIB) funding is funding that one can receive for 50% of the loan being provided to the customer. We do not need that funding. We have ample resources and good funding; therefore, there is no need for us to access that kind of funding. It would be too expensive for our customers. If we were to access it, that would require a guarantee from our parent company. Otherwise, the EIB would be unwilling to provide the funds to the Northern Bank because we are too small — even though we are considered a high-impact bank in the UK economy. That is a fact. If we were to pay for such a guarantee, that would increase the cost to the customer. As we have adequate funding, we see no reason to access funding from the EIB. It will provide no benefit for our customers, as we can provide them with cheaper funding already.

Mr McLaughlin:

It appears that your competitors have each drawn down €100 million in a very short time and have deployed 100% of that. It seems to me to that it meets a market demand. I recognise immediately what you say about the Northern Bank as being regarded as too small. However, what about your parent company, Danske Bank? If it applied for the money and deployed it through your company, that would surely be to the benefit of the local economy in that it provides a facility which customers are looking for. They went to your competitors to get access to it.

Mr Christensen:

That is not so. If we were provided with that funding through our parent company, we would have to pay for it because we are —

Mr McLaughlin:

I understand, but so do your competitors.

Mr Christensen:

The funding we get from others through our parent company is cheaper than the funding that we could get from the EIB. Therefore, there would be no benefit in offering EIB funding to our customers. We offer normal lending to our customers, as we have always done, and we continue with our lending policies as we have done in the past. So, there is no change to that. We are not blocking or discouraging customers from borrowing; we continue lending, but we do it on normal commercial terms. We do not have to go through the EIB to provide the necessary funding for lending to our customers.

Mr McLaughlin:

The advantage of the scheme is that the European Investment Bank underwrites it. Some €15 billion is available this year and €15 billion next year. Are you saying that the Northern Bank sees no necessity to involve itself in that?

Mr Christensen:

We would like to have it on our palette, but it would be more expensive for our customers and it would not have any positive impact on our ability to provide lending to our business customers. They will continue to be able to borrow from the Northern Bank. We are open for business. As Danny mentioned, there is no change in that. It would not be a cheaper funding source for our corporate or business customers; it is more expensive than that which we provide currently because we would have to add the extra cost to the margin that we normally add.

Mr McLaughlin:

It seems that many people do not agree with that analysis.

Mr Christensen:

No, but that is also because some of our competitors do not have access to same level of funding.

They do not have the deposit/lending ratio that the Northern Bank has. That means that our funding is stronger than that of our competitors, because if they go to wholesale markets or other funding sources, they will have to pay more than we do. We are considered a stronger bank in international markets.

The Chairperson:

Following on from that, I noticed in your paper that you have not had much take-up from customers for the enterprise finance guarantee scheme. When we heard evidence from representatives of SMEs, they told us that they were finding it difficult to access that scheme through some of the banks. Are you finding that that is the case? What you are saying is that customers do not seem to favour the scheme.

Mr Christensen:

That is true. We were the first bank in Northern Ireland to sign up to and participate in that scheme, and we educated our business managers on what advice to provide to business customers who were interested in the scheme. However, customers using the scheme will have to pay a 2% margin, in addition to what they pay to us, and if we are willing to lend customers the money under normal commercial and viable terms, why would they wish to pay an additional 2% margin? We have to go through our own credit process when we look at a customer's position, and if we approve that credit, we approve the full credit, whether there is a guarantee or not. Normally customers will then ask to take the loan on our terms, without the additional 2% margin.

The Chairperson:

I had thought that customers might feel that they are in a better position to draw down a loan with that scheme in place; that is why I asked that question.

Mr Weir:

I want to get a picture of the state of business. Danny, you mentioned a 4% increase in lending volume, and your paper refers to 9% lending volume. Are you comparing two different time periods?

Mr Stinton:

The 4% increase is the figure that was released in our first half-year accounts; it is a publicly

available figure that gives total lending growth, excluding public sector activity. Therefore, it is a comparable figure.

Mr Weir:

What does the 9% figure relate to? Is it purely business lending?

Mr Stinton:

It is a more specific year-on-year comparison.

Mr Weir:

OK, so it is the 2008-09 figure.

Perhaps you do not have the figures to hand, and it may be a bit unfair to ask you this question, but how much of that 9% represents lending to new business customers and how much of it is refinancing or extending finance to existing business customers?

Mr Stinton:

I do not have the specific breakdown, but the vast majority represents lending to existing customers. Just over half of our business lending represents in-term loans; that is, established loans that may have been written one, two or three years ago, at rates that were pertinent at that time. Therefore, the figure includes all-term debt. With regard to overdraft borrowing, the vast majority of our primary customers are existing Northern Bank customers, rather than new business. There has not been a high level of demand for new business this year.

Mr Weir:

Thank you, I just wanted a general snapshot. I was not looking for very specific figures, so getting the ballpark figure was grand.

Dr Farry:

I declare an interest as a customer of the Northern Bank.

Mr Mc Laughlin:

Are you a substantial customer?

Dr Farry:

Not that big.

Mr Weir:

Depending on his questions you can close his account.

Dr Farry:

I want to pick up on the point raised by the Chairperson regarding the enterprise finance guarantee scheme and what was said about customers not preferring that scheme because of the additional cost. Has the banking sector made representations to the Government on that issue? The scheme is supposed to be a major Government intervention to help small businesses, and if what you are reporting is the case, it is surely a failure of public policy and there needs to be pressure placed on the British Government to change the terms of the scheme if it is not delivering.

Mr Christensen:

That is a good question. I remember discussing the EIB, but I must confess that I cannot remember whether we reported this to the British Government.

Mr Stinton:

We fed back our initial observations to the Department for Business, Enterprise and Regulatory Reform, but I would not for one moment wish to be over-critical of policy at national level. In practice, we signed up for the scheme at short notice.

The key issue that we find is customers' preference for a facility that will be cheaper in commercial terms, rather than going through the Department for Business, Enterprise and Regulatory Reform's scheme. One of the requirements of that scheme is that banks put their customers through their normal credit screening policy. If they do not do that, banks will not qualify for the guarantee. If a customer passes the normal credit procedure, it is common sense that, rather than pay a 2% premium to the Department for Business, Enterprise and Regulatory Reform, he or she will opt to have the loan on commercial terms.

Dr Farry:

Will you describe in a bit more detail your approach to managing customers' overdrafts? To

what extent are they being forced to reduce their overall borrowings, and is that the case with the Northern Bank?

We hear of scenarios in which certain business clients with overdrafts having received an influx of money from customers and wishing to spread that income, in turn, among creditors; but the bank, which is in a privileged position, can override that decision and take 100% of the money to reduce the client's overdraft. Consequently, because the bank has taken care of its own balance sheet, the client is not in a position to pay his or her other creditors. Does that happen in the Northern Bank, and what is your general approach to business overdrafts?

Mr Christensen:

I assume that you are not talking about big businesses. I am primarily responsible for small businesses, and I am not aware of any cases in which we have done something like that. I know that some banks have written down overdrafts. We have discussed reducing overdrafts that do not cost much for customers who have not used that facility fully, because if an overdraft reflects actual need, it attracts equity and makes it more cost effective for the bank and customer. However, as far as I am aware, we have not enforced any overdraft write downs.

I also know that the Federation of Small Businesses' survey of complaints about banks asks that question. In that survey, out of the four major banks, the Northern Bank scored by far the lowest number of complaints about that type of behaviour.

Dr Farry:

That is reassuring.

Mr O'Loan:

You touched on this subject, but what is your read on the general level of business in Northern Ireland? Are you getting good business propositions in front of you, and are you lending on them?

Mr Christensen:

Recently, the number of business propositions that we are getting has dropped. We are not seeing as many as we saw one or two years ago. However, we are seeing a number of propositions, most of which, in my experience, are from fairly large companies. We are not seeing many from

smaller companies, which appear to be securing themselves and trying to figure out what is happening. As such, there are not many business opportunities, but if we see a good, viable proposition, obviously, we will be there to support the customer, because that is our business and what we are there for. We lend money, and if we do not do so, we will not do any business and may as well close the bank.

Mr O’Loan:

I want to ask you about the whole banking culture. Clearly, there have been immense problems at the highest levels of investment and international banking, as well as, I would suggest, at the local level. Banks have always been, and will remain, businesses, but it strikes me that there has been a significant cultural change in that the focus has switched to the bank, rather than on where the bank is positioned in, and the contribution it makes to, society. Rather than focusing on what customers really need, there has been intense pressure to push products at them. Such activity came into question following the huge crisis that there has been in banking.

In view of the bonus culture, I want to ask you specifically about your reward system. Since confidence in the behaviour of banks has, quite rightly, been shaken it strikes me that there has, to a significant degree, been a reverting to type. I fear that the banks have not learned their lesson. They are still operating on a target-based culture — payment by results — and the selling of products that serve the bank’s profits and bottom line, but are not necessarily in the wider interests of society.

Mr Christensen:

Those are very good questions. We hope that the products that we sell will be beneficial to our customers. We hope that customers will not buy our products unless they feel that those products are of benefit to them. Before we decide what we do, we ensure that we set targets and make budgets; that is how a commercial business is run. We do not want to push unnecessary products on to customers, because that would leave them dissatisfied. If a bank has dissatisfied customers, pretty soon, it will have no business. Customers will leave banks because there are so many opportunities in the current market.

The Northern Bank tries to work closely with local communities through community programmes and activities that are managed by branch managers and staff in the towns and cities in which we have branches. For example, we offer student grants and we work with local

charities. We try to be a local bank for a local area, and that is the way that we have always done business.

With respect to bonuses, the question is fairly easy to answer. Northern Bank has never given large bonuses. This year and next year we are not paying out any bonuses. We are not an investment bank: we are a retail bank, and we will continue to be so.

Mr O'Loan:

One thinks of Sweden as having a very strong social partnership model and a very strong social ethic. I do not know so much about Denmark. What sort of ethic does Danske Bank have?

Mr Christensen:

Danske Bank has much in common with the Swedish banking ethic. Sweden, Denmark and Norway are very similar countries in many ways. There is a social responsibility policy in the group, which we adhere to. That policy is with respect to the environment, customer behaviour, fair treatment of customers, and so on. Northern Bank will adhere to that in addition to its own local policies.

Mr O'Loan:

When I think of banks, including Northern Bank, corporate social responsibility is not the first thing that comes to mind: it is not something that features highly within the banks.

Mr Stinton:

What you say is fair. We do not make a big job of marketing some of the things that we do. However, at the local level, we have a large number of staff who are actively encouraged to volunteer in the community during working hours and are rewarded for doing so. For the past eight or nine years, we have worked with the Consumer Council's financial literacy programme. We have had award-winning programmes such as 'Money Talks' and 'Time to Count' in which we work with school children to try to improve their level of financial literacy. Perhaps we do not market that side as well as we could.

Mr O'Loan:

My final question is about the old property situation. To what degree is Northern Bank exposed because of serious property investments that have gone sour? To what extent does the National Asset Management Agency (NAMA) affect the bank, and how do you read the potential for

NAMA to resolve that major problem across the island?

Mr Christensen:

We are exposed to the property sector, but probably not as much as some of our competitors. Neither Northern Bank, nor the group's company in the Republic, National Irish Bank, is participating in the NAMA scheme.

We are concerned about what will happen with the property market. Of course, having such a big property owner as NAMA driving the market will present a challenge. According to what was said when the NAMA scheme was launched, it sounds like it will not have a major impact on Northern Ireland; however, it is too soon to comment on whether or not that is true.

Mr McNarry:

Gentlemen, you are very welcome. I am pleased that Northern Bank operates in Northern Ireland, and I welcome your comments so far; you are representing your company well. You are either good salesmen or are talking a lot of common sense. What is your policy on revaluing property prices for loans? We are seeing developers make potential buyers stick to a price — and, I assume, a loan — that was agreed at the time of purchase. However, given the fall in property prices, the buyer is not getting the loan from the bank. The banks are renegeing on their agreements. They are saying that although a property may have been worth £300,000 last year, it is only worth £150,000 now and, therefore, they will not back the customer.

Mr Christensen:

If the bank has made a binding offer, we will stick to it. There has been no change to that policy. When we offer a mortgage loan, our evaluation is based on the value of the property. We lend that money based on affordability, not so much on the actual value. We are still the only bank that offers 100% mortgages in the Northern Irish market.

Mr McNarry:

Are you saying that, in effect, if a property's price has dropped 50%, you will maintain the mortgage offer on the original price, which the developer is not prepared to drop?

Mr Christensen:

If we have promised and offered that rate to the customer, we have to stick to it.

Mr McNarry:

Northern Ireland is great for prudence in saving and in giving. I am always amazed at the amount of money that Northern Irish people are prepared to part with to help those who are less fortunate. How will improved rates for savers come on stream without risk or without the involvement of time-limited incentive options?

Mr Christensen:

Currently, there is quite a lot of competition for deposits in the market because many banks are under pressure from the UK Financial Services Authority to improve liquidity and lending and deposit ratios. I am certain that the high rate will continue. Right now, most banks offer savings rates that are much higher than the base rate. At the weekend, 'The Sunday Times' advertised a number of offers whereby savers could receive a rate above 5% in certain institutions. To a certain extent, that is evidence of how desperate they are to attract business.

Mr McNarry:

I understand what the offers are; I am asking why we need those offers.

Mr Christensen:

That is a good question.

Mr McNarry:

Why can those rates not just be available, rather than being part of an offer? The public do not trust you lot, and I am unsure whether they trust us at the moment. However, if we are in the same boat, we will be sympathetic.

Mr McLaughlin:

We do not get the same bonuses.

Mr McNarry:

Our civil servants used to. Savers in Northern Ireland — and elsewhere, I assume — have been badly hit. Those people who have budgeted for their lifestyle on the basis of their savings have probably been hit harder than others. In other words, they have no room to manoeuvre. Those

people are faced with the risk presented by the offer. A bank will tell them that if they invest their money with it for six months, 12 months, or whatever, it will give them a certain rate of return. Why should people be made to commit to such an offer when they would have been prepared to stick their money in that bank anyhow?

Mr Christensen:

Unfortunately, that is not always the case; I wish it were. Many customers move to the bank with the best offer that week. Northern Bank has not been that active in that market yet, but it will be. We will have some offers for customers with some fair rates, but we will never have the best headline rates, as compared with other banks.

Mr McNarry:

We may not view Northern Bank in the way that one might view other banks, but it is still active.

Mr Christensen:

Of course; we have to be active. I understand that that is a relevant question, because many savers are depending on the income from their savings. Unfortunately, that is one of the disadvantages of the very low base rate at present. Much of our lending is based on the base rate, and if the base rate goes down, our lending rates also go down. We cannot continue to offer better rates on deposits than we are getting on lending.

Mr McNarry:

We have a problem with the savers. I think that you are doing everything but addressing the savers' problems. I do not think that you are doing enough for the savers. I do not mean you personally; I mean collectively.

When do you envisage the lifting of the £50,000 ceiling on the guaranteed protection for private savings accounts?

Mr Christensen:

That is a very good question, but we do not have any information to enable us to come to any conclusion on that matter. The ceiling is now £50,000, but there have been other ceilings in the past and the Government have stepped in anyway. People with savings in banks have not lost money, even though —

Mr McNarry:

The Government have not stepped in yet for the Presbyterian Mutual Society. When you have a ceiling of £50,000 and there is no sign of change, that makes the savings market a bit dodgy. There is no confidence. People feel that the situation is still not right. They feel that if they save £51,000, they are risking £1,000. That image needs to be dealt with. Do you foresee the ceiling being lifted?

Mr Christensen:

I have no evidence of, or information on, any change.

Mr McNarry:

So the situation will remain dodgy.

Mr Christensen:

The limit of £50,000 is established by the Government. The Northern Bank is a small bank and it has no influence on that.

Mr McNarry:

But you will not go above that limit. Your Danske Bank will not tell Northern Bank customers that it is independent and, to hell with the Government, it will guarantee its customers £100,000 or whatever they want; they have only to bring their money to the Northern Bank. However, you are not doing that: you are sticking with the £50,000 ceiling, just like the rest of them. There is no compulsion on you to stick with the £50,000 ceiling.

Mr Christensen:

We have to stick with the £50,000 ceiling as it is a Government scheme.

Mr McNarry:

You do not have to stick with anything.

Mr Christensen:

We cannot provide a higher guarantee as such, because it is a Government scheme.

Mr McNarry:

So, in that respect, you are no better than the other banks.

Mr Christensen:

We probably fared a bit better than the other banks.

Mr McNarry:

I am only being hard on you because I want the answers.

Finally, if one looks at the situation now as compared with 12 or 15 months ago, has your policy towards credit facilities for small businesses altered? There is an allegation that banks — I will not name any — are squeezing small businesses. For example, the directors of small businesses who have company loans or company overdrafts are being asked to turn those into personal loans. Do you practice that?

Mr Christensen:

That is not a common practice of the Northern Bank, no.

Mr McNarry:

I did not ask whether it was a common practice. Do you practice such policies?

Mr Christensen:

I cannot say. We work closely with our customers. If we have a customer who is in financial difficulties, whose business needs capital and who cannot provide the capital but can provide a personal guarantee, we will accept that personal guarantee if it is offered. However, I am not aware of any case in which we pushed a customer into such a situation. It has to be a voluntary decision.

Mr McNarry:

You can appreciate the difficulty that that presents for the success and sustainability of any business. It has been brought to my attention that banks carry out such a practice. The circumstances or whole story are not always known, but companies that have been in business for quite a while and, like many others, have hit a rough patch, are having the squeeze put on them by the banks if they want their continued support. A personal guarantee, the bank might say, is to

put your house on the line, so the loan is then taken on as a personal commitment. Do you practise that?

Mr Christensen:

We have the ability to receive personal guarantees from owners. Typically, that happens when the owner has a business that has a very small capital base and is not by itself viable. Instead of injecting capital into the business, the owner offers a personal guarantee, which we obviously accept. That is the fairest way, because the owner will have the full upside and the income if the business fares well. If we did not get the personal guarantee, we would have to deal with the full downside. By offering a personal guarantee, the owner will have invested only a small amount of capital and will be able to retain his personal capital if he is wealthy or has capital elsewhere.

Mr McNarry:

How soon do you see the green shoots that people talk about appearing? We hear different things. There was a First Trust bank report by a well-known economist here about how we are doing, which was not very complimentary. The Ulster Bank has produced something similar. However, recovery is based on confidence and green shoots. Being a predominantly retail organisation, you should see the signs of recovery reasonably quickly. Are you seeing that now, or are you preparing for it? I know that that is a difficult question.

Mr Christensen:

We are, of course, always preparing.

Mr McNarry:

I would expect you to have such predictions, otherwise you could not stay in business. I do not mean for you to gamble again, just to work out predictions.

Mr Christensen:

We are seeing some green shoots. We are seeing a stabilising housing market. It appears that the number of business customers getting into financial difficulties has dropped somewhat compared with the beginning of the year, which is very positive.

Mr McNarry:

That is good.

Mr Christensen:

Clearly, we are preparing for this new level of normality so that, going forward, our bank can offer sustainable business to our customers.

Mr McNarry:

That is positive. Thank you.

Mr F McCann:

It is refreshing to hear a representative of a bank saying that they have not gone down the road of repossessions. For many people, mortgages are probably the most worrying end of banking. Do you have a debt counselling package for people with mortgages who fall into arrears? When does the bank make the first approach to a customer who falls into arrears? Is it after two months, three months or four months that they talk through the difficulties?

Mr Stinton:

The local branch, with which the customer has a relationship, will step in after the person is one payment in arrears. After the person is three payments in arrears, the relationship is normally managed through a central management team that will work with the customer to work through arrears issues. The reality of a residential mortgage deal is that foreclosure is not good business for anyone. We will always work with the customer, whether at a local branch or through the central team, until they are back in the normal cycle.

Mr F McCann:

Are there many new customers seeking mortgages?

Mr Stinton:

I would not like to give you the exact number, for commercial reasons, but our mortgage lending has grown by 15% this year, which, in the worst market that I can remember for transactions, is quite a good commercial performance.

The Chairperson:

That brings our evidence session to a close; I thank the witnesses for attending.