

11 February 2021

As the new Chief Executive of Scottish Financial Enterprise, I welcome the opportunity to provide an overview of our industry's support for people and businesses during the Covid-19 crisis.

SFE and our member firms are mindful of the challenges to come and we're here to help. Whatever difficulties lie ahead, we will prioritise customers, colleagues and communities. We will do all we can to contribute to the economic recovery ahead and, as a sector, we will continue to create employment opportunities both within financial services and through our support for businesses across Scotland.

These continue to be very challenging times for everyone and our thoughts and gratitude are with NHS, social care and emergency services staff who are on the frontline and helping to protect us from the virus. We're also grateful to essential workers across all sectors for ensuring crucial services remain accessible. This includes frontline financial services colleagues who have gone into work throughout the pandemic to help customers with their financial needs.

Scotland is home to a diverse and successful financial services industry which employs over 160,000 people across banking, life and pensions, insurance, asset management, and related professional services. As a significant employer and contributor to the Scottish economy, we recognise our vital economic role and societal responsibilities. Delivering on these has never been more important.

SFE member firms have introduced a range of measures to support customers, colleagues and communities since the first UK-wide lockdown nearly a year ago. Please find below a broad overview of this support and ongoing contribution, which we recognise impacts many, if not all, of your constituents either directly and indirectly. Despite the unprecedented period of upheaval, essential financial services have also been maintained for millions of customers and clients in Scotland, the UK and around the world.

Supporting the economic recovery will be front and centre of our new Scottish Financial Services Strategy, alongside climate and environment, skills and talent, and inclusion. The refreshed strategy will be completed in Spring and shared with key stakeholders, including the UK and Scottish Governments.

We believe business and government must work together to drive the recovery. SFE is committed to playing its part and will continue to work constructively with both Governments and industry bodies in the interests of our members, their customers and the communities they serve.

You are welcome to share this update with constituents. If they would like to get in touch with SFE they can contact our Head of Communications Bronwyn Torrie, btorrie@sfe.org.uk.

We have a list of key contacts at our banking member firms on our website (sfe.org.uk/coronavirus) if you have specific cases from your constituency that you would like support with.

Please do contact me if there is anything you would like to discuss further. My email is sbegbie@sfe.org.uk.

Kind regards,



Sandy Begbie CBE
Chief Executive, Scottish Financial Enterprise

Our Communities

SFE members know that the vulnerable in society are most at risk from coronavirus and its economic impact. Our members have seen first-hand the enormous pressure people are under and have given additional funds to charities and community groups, who are best placed to provide the practical and emotional support required by those in need.

Our members have supported hundreds of grassroots and national charities to help tackle a range of issues, from loneliness and isolation, to financial problems and food poverty. Examples include repurposing offices for a food bank distribution hub, creating rest and relaxation areas for frontline NHS staff in hospitals and topping up grants to help charities who have experienced huge demand in services.

Mental health charities have received increased financial support from SFE members as the on-going covid restrictions impact young and old alike. Free online home learning resources have also been made available for families. Colleagues have also volunteered their own time to support Scottish charities in their local communities when it has been safe to do so.

Please go to our Coronavirus Hub at sfe.org.uk/coronavirus for further details.

Our Customers

SFE members recognise the high levels of anxiety being experienced by people over their personal finances and, over the past ten months, firms have taken a range of extraordinary measures to support their customers. Since the start of the pandemic, 4.7 million payment deferrals have been granted across mortgages, credit cards and personal loans. Our members are conscious that higher unemployment rates will have a flow on effect on some people's ability to make these repayments and are committed to providing tailored support to those facing financial difficulty.

While bank branches have remained open for essential services, steps have been taken to help customers do more online including the roll out of mobile app cheque depositing services. Contactless card payments were increased to £45, cash delivery services for vulnerable customers were established and a range of services beyond financial help were introduced. Examples include well-being calls, helping customers access the internet and learn new skills for online shopping, virtual GP appointments and staying connected with family and friends, as well as dedicated phone and online services for NHS and vulnerable customers.

Banks mobilised the UK Government-backed coronavirus loans within days and have facilitated more than £3.4 billion for Scottish businesses since the start of the crisis. Firms have also developed support mechanisms for business banking customers that go beyond the government schemes including repayment holidays on existing loans, free banking for SMEs, the removal of overdraft fees and free resilience planning to help Scottish businesses navigate Covid and Brexit.

Life and pensions firms have worked hard to maintain payment systems and other services to ensure customers continue to receive their pensions and other incomes from savings products. Retirement roadshows have been delivered online rather than in person and contact centre staff have been upskilled to deliver the right support to customers facing new challenges.

The insurance industry expects to pay out more than £1.8bn in Covid-19 related claims across a range of policies. Insurers continue to support and advise their customers. Their main priority is to make sure customers can continue to have valid claims paid in this challenging environment and they are doing working to keep their operations running as fully as possible and to offer clear and up-to-date information to customers.

As long-term investors in the economy, asset managers are also committed to supporting the corporate sector and the wider economy. They have offered rent deferrals on commercial properties and made clear their support for company boards focused on leading their business through the crisis, and looking after their employees, suppliers and customers.

Our Colleagues

With the vast majority of financial services colleagues continuing to work from home, the wellbeing of employees has remained a top priority. Mental health is an increasing concern and additional steps are being taken to support colleagues at home and in the workplace.

Comprehensive social distancing, physical protection and hygiene measures have been implemented along with financial, wellbeing, medical, and child support for staff undertaking essential roles in branches, contact centres, and head office locations.

In addition, some firms have introduced paid emergency leave for staff with caring responsibilities, an allowance for employees working from home and financial support to help with home schooling technology requirements.

Our members are working through future ways of working following the rapid transformation from office to home working. This includes a hybrid model offering colleagues flexibility to choose a blend of office and home working.