

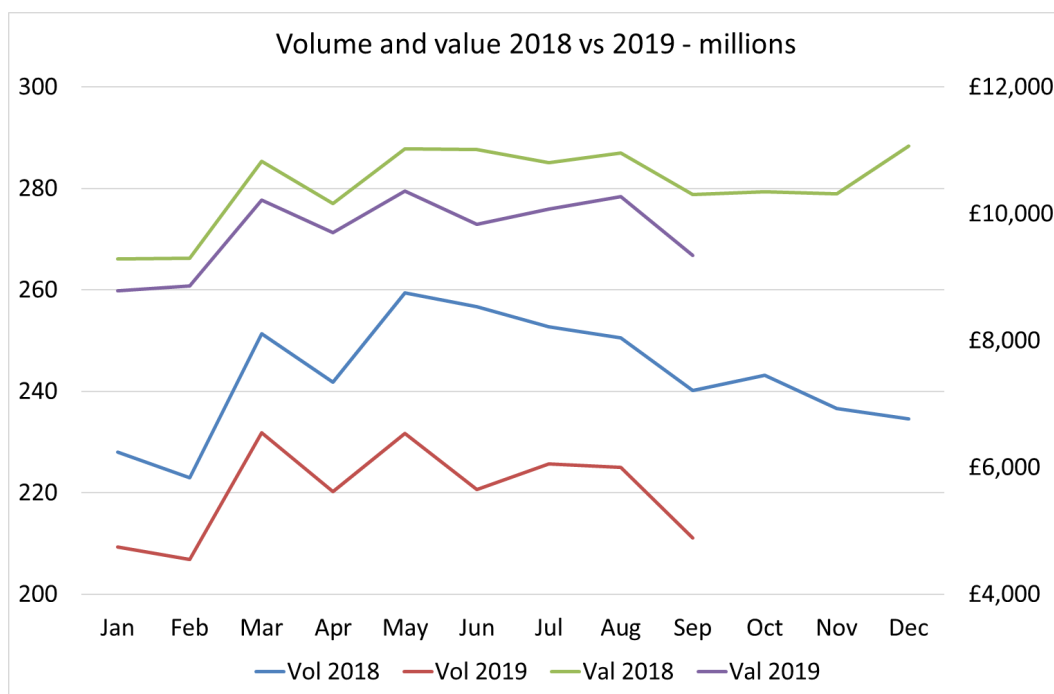
1. **LINK BOARD.** The LINK Board last met on 3<sup>rd</sup> October 2019. Items considered by the Board included Committee and Meeting updates and the CEO's Report which covered LINK's Community Access to Cash Delivery Fund which was announced on 2<sup>nd</sup> of October and has received positive reactions from regulators, consumer and parliamentary campaigners. The Board continues to be satisfied that the LINK ATM footprint is being maintained. LINK's Direct Commissioning initiative provides further assurance in this respect. The Board also considered the progress of the infrastructure tender and was pleased to note the successful Member vote and the execution of the new Switching and Settlement Agreement ("SSA") with Vocalink on 30<sup>th</sup> September 2019. The Board also considered and reviewed the key risks currently facing LINK and although it noted several developments, the overall status remained static. The Board approved the current assessment of risk and the continued strengthening of LINK's risk management approach.
2. **MAINTAINING ACCESS TO CASH.** LINK is committed to protecting free access to cash for as long as consumers want it and on 2<sup>nd</sup> October announced a new **Delivery Fund** so that communities can get access to a free ATM when needed. LINK will provide a dedicated website at [www.link.co.uk](http://www.link.co.uk) for applications and help and further details will follow prior to launch in November. Over the coming months, and with the support of local MPs and councils, ATMs will be installed in new locations across the country. Full details are in the press release below.

LINK is already working to ensure that every high street across the UK with at least five shops has a free ATM or Post Office within 1km of its centre. There are around 6,500 such high streets in the UK and only six do not have free cash access. LINK will run a competitive procurement process to have ATMs installed in these six locations in the coming months. LINK also has a programme to protect free-to-use ATMs that don't have another ATM within 1km. There are currently 2,749 ATMs in the programme, an increase of 28 since the last month. Of these, 2,509 are live while 240 are no longer transacting. Of these, 203 are permanently closed or converted to charging. If there are no nearby alternatives such as a Post Office, LINK will offer premiums to operators to encourage the installation of a new machine and if necessary, will directly commission a new machine. 48 (1.7%) are targeted for replacement in this way.

3. **LINK VOLUMES and VALUES.** The impact of many consumers reducing their cash usage continues to be seen across the LINK network. The number of LINK transactions fell by 12.1% between September 2018 and September 2019 and the value of cash withdrawn fell by 9.3% over the same period.

LINK Transaction Volumes (millions)													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	228.02	222.92	251.39	241.72	259.35	256.68	252.72	250.49	240.09	243.09	236.63	234.50	2917.60
2019	209.31	206.80	231.81	220.25	231.70	220.66	225.67	225.06	211.01				1982.27

LINK Transaction Values (£millions)													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	£9,289	£9,294	£10,831	£10,158	£11,023	£11,006	£10,801	£10,954	£10,297	£10,346	£10,308	£11,065	£125,372
2019	£8,788	£8,859	£10,211	£9,701	£10,354	£9,837	£10,070	£10,271	£9,336				£87,426



- 4. ATM Numbers.** The total number of ATMs continues to fall month-on-month as expected, with an overall reduction of 189 machines between August and September, driven by a reduction of 33 branch machines and 312 free remote site machines. The number of pay to use machines rose by 156. This means that the increase in charging ATMs in the past 12 months is 2,135. However, because of the large fall in charging ATM numbers in 2018 the UK is still close to the number of pay to use ATMs at the end of 2017.

LINK ATM Numbers by Type and Owner												
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Branch	16,299	16,239	16,194	16,181	15,968	15,844	15,736	15,677	15,644	-	-	-
Free Remote	35,578	35,104	33,933	33,321	33,004	32,621	32,143	32,125	31,813	-	-	-
Total Free	51,877	51,343	50,127	49,502	48,972	48,465	47,879	47,802	47,457	-	-	-
Pay to use	11,090	11,602	12,744	13,147	13,359	13,496	13,670	13,640	13,796	-	-	-
Total ATMs	62,967	62,945	62,871	62,649	62,331	61,961	61,549	61,442	61,253	-	-	-
Bank and Building Society	26,445	26,365	26,291	26,260	26,076	25,896	25,710	25,641	25,576	-	-	-
Non Card Issuers	36,522	36,580	36,583	36,389	36,255	36,065	35,839	35,801	35,677	-	-	-
Total ATMs	62,967	62,945	62,874	62,649	62,331	61,961	61,549	61,442	61,253	-	-	-

### 5. INDUSTRY NEWS

On 30<sup>th</sup> September **UK Finance** published an update on its support for local communities with concerns about access to cash. This builds on the Access to Cash Review, led by Natalie Ceeney CBE, and involves the banking and finance industry identifying ways in which it can support customer outcomes through assessing the range of channels currently available and developing an approach for how industry could work with local communities to identify, report and help address significant gaps in cash provision. <https://www.ukfinance.org.uk/press/press-releases/uk-banking-and-finance-industry-commits-support-local-communities-free-access-cash>

**Mastercard** announced in September that from April 2020 Debit Mastercard cardholders in the UK and Ireland will be able to access cashback when making a purchase at local shops and businesses who choose to offer the facility. The retailer will earn a small fee for every such transaction. Mastercard's scheme was seen to be a welcome step in the right direction by those campaigning to preserve access to cash. <https://newsroom.mastercard.com/eu/press-releases/mastercard-aims-to-boost-access-to-cash-in-the-uk-with-new-retailer-cashback-initiative/>

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### 6. LINK PRESS RELEASES

#### 2<sup>ND</sup> OCTOBER: LINK SETS UP DELIVERY FUND SO THAT ALL COMMUNITIES CAN GET ACCESS TO A FREE ATM

<https://www.link.co.uk/about/news/link-community-support/>

- New initiative allows consumers to request a free ATM in their community directly from LINK
- LINK will fund installation of new ATM in areas with poor free access to protect local high streets and vulnerable consumers
- This complements the existing model that relies on commercial operators deciding whether a site is profitable
- LINK's work supports the UK Finance's new Community Access to Cash Initiative.

LINK, the UK's main cash machine network has today announced the launch of a new Community Access to Cash Delivery Fund so consumers can now request a free ATM from LINK when it's needed.

In response to the rapid and unprecedented decline in cash usage, local communities will now be able to apply through their MP, local council, or request help directly from LINK for support for free access to cash. For requests for a free-to-use cash machine, if it meets the criteria which includes distance to nearest free ATM, availability of a Post Office, site security and that there is a suitable location, LINK will fund the new ATM directly.



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This builds on LINK's commitment to protect free access to cash for every high street in the UK. In August, LINK announced five new pilot sites in Battle, Bungay, Nuneaton, Tywyn in Wales, and Durness in Scotland, where a new ATM would be directly commissioned. These new ATMs will be funded by a levy on LINK's bank and building society members. More sites that will get a free ATM have already been identified and are Deal, Ebbw Vale, Margate, Middleton, Wilmslow and York. LINK will provide a dedicated website at [www.link.co.uk](http://www.link.co.uk) for applications and help. Details will follow prior to launch in November.

John Howells, LINK CEO said *"This is an important development which will allow communities to directly contact LINK and get things done to help consumers. LINK is looking forward to getting the first requests for ATMs so we can help solve access to cash issues across the whole UK."*

LINK welcomes UK Finance's new Community Access to Cash initiative, providing grant support and industry guidance for local communities' free cash access and the adoption of alternative solutions where an ATM is not appropriate or required. Examples of this support might include digital education programmes, driving community cashback or helping local communities to connect with partners who can help increase awareness of, and access to, available secure cash provision. The development of a cross-industries approach on digital payment alternatives and education, driving improved local cash recycling and improving awareness of (and access to) existing cash channels will complement LINK's commitments.