



LINK Public Annual Report on Service-User Engagement  
1<sup>st</sup> October 2019 – 30<sup>th</sup> September 2020

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## **Foreword by John Howells (CEO, LINK Scheme)**

Consumers and Network Members are LINK’s “Service Users”. LINK’s role is to ensure access to the LINK Network is provided in a safe, reliable, and inclusive manner. That means maintaining a strong focus on the needs and preferences of those Service Users. The report sets out the extensive mechanisms that LINK has in place to achieve good engagement and to make sure that it responds well to Service User requirements in a rapidly changing marketplace. LINK also depends on a broad membership of card issuers and ATM deployers to deliver its objectives (LINK’s Network Members). Therefore, LINK also has extensive mechanisms in place to understand the requirements of its Network Members and these are also set out in this report. The report is a public document that is published on LINK’s website (<https://www.link.co.uk/>) and it is updated annually.

Maintaining this public report is one of LINK’s obligations as a major payment system regulated by the Payment Systems Regulator (PSR). LINK welcomes the strong support that it receives from the PSR in developing and maintaining its effective engagement with Service Users. This is especially important during a time of great change for cash usage. Whilst cash is in long term decline, it remains vital for many UK consumers. The coronavirus crisis has accelerated the decline of cash and so the support of our regulators, both the PSR and the Bank of England, is especially important at the moment.



## LINK's approach to Service-User Engagement and who LINK considers to be its Service-Users

LINK considers Service-User Engagement as the mechanism that allows it to understand the needs of consumers and Network Members and how well it is meeting those needs. It is at the centre of LINK's strategic thinking, set out in the LINK Strategic Plan which is developed and approved by the Board. The public version of the Plan can be found at <https://www.link.co.uk/publications/link-three-year-strategic-plan/>. A two-way approach that allows an open and clear flow of information to and from Service User is an important feature of LINK's approach. By working with and considering the views of Service-Users, LINK believes that it can deliver meaningful and sustainable improvement to its services. Anyone needing to contact LINK, including consumers, is welcome to do so via <https://www.link.co.uk/contact-us/>.

LINK's Service Users are currently made up as follows:

- Consumers - make use of ATMs to access cash and information on their account balance. LINK's research shows that over 95% of UK consumers use its ATMs. LINK is a domestic ATM scheme so only operates in the UK, the Channel Islands and the Isle of Man for UK card holders.
- Network Members – make use of LINK to offer consumers access to cash using over 100 million LINK-enabled UK debit and ATM cards at a network of over 50,000 UK ATMs connected to LINK across the UK. LINK currently comprises 34 Network Member organisations, which include the majority of Card Issuers and ATM Operators in the UK. A full list of LINK Members is available at [www.link.co.uk/members/members/](http://www.link.co.uk/members/members/).



## A summary of how LINK engages with its Service-Users

LINK has well developed mechanisms to engage with consumers and Network Members. These are listed below and then described in more detail in the following sections. Each section briefly describes the work and achievements in that particular area over the last year and plans for the next twelve months.

LINK uses its website as a key channel to support two-way communications with its Service-Users. Helpful links to useful pages on the website are shown throughout. Alternatively, anyone is welcome to contact LINK via email at [info@link.co.uk](mailto:info@link.co.uk), through the LINK website "Contact Us" page <https://www.link.co.uk/contact-us/> or the following postal address and can be assured of a prompt response: Link Scheme Holdings Ltd, RSM Central Square, 5<sup>th</sup> Floor, 29 Wellington Street, Leeds, LS1 4DL.

### Main tools for consumer engagement:

- The LINK Consumer Council.
- LINK's Website.
- LINK's Mobile App.
- The Financial Inclusion Programme.
- Periodic research and publications.
- Participation in consumer events.

### Main tools for Network Member engagement:

- Network Member Governance.
- Member Compliance regime.
- LINK's Website.
- The Financial Inclusion Programme.
- Periodic research and publications.
- Participation in industry events.

In addition to the information provided below, LINK also recently published its annual report for 2020, which can be found here <https://www.link.co.uk/media/1638/link-annual-report-19-20-final.pdf>. LINK has also published its Three Year Strategic Plan, which can be found here <https://www.link.co.uk/publications/link-three-year-strategic-plan/>.



## Consumer Engagement

The LINK Consumer Council	
<p>What is the LINK Consumer Council and how does it represent consumers?</p>	<p>The LINK Consumer Council was established by LINK in April 2006 to provide advice on consumer issues that relate to the UK's largest cash machine network, and to represent the interests of consumers in the governance and development of the network. The Council brings together independent consumer representatives and LINK Network Members including card issuing banks and cash machine operators. It is chaired by Tracey Graham who is a non-executive Director of the Link Scheme Holdings Ltd Board. The Council provides advice on consumer issues relating to the UK cash machine network and represents consumer interests. The current Consumer Council has the following members:</p> <ul style="list-style-type: none"><li>• Tracey Graham, Chairman and Non-Executive Director, Link Scheme Holdings Ltd</li><li>• Lady Margaret Bloom CBE</li><li>• Helen Walker, Department for Work &amp; Pensions</li><li>• Sian Williams, Toynbee Hall</li><li>• Joe Lane, Citizen's Advice</li><li>• Eimear Duffy, Consumer Council Northern Ireland</li><li>• Martin Kearsley, Post Office</li><li>• Tim Allen, Barclays</li><li>• Adam Bailey, NatWest</li><li>• Tim Watkin-Rees, PayPoint</li><li>• Iain Gibson, Sainsbury's Bank</li></ul> <p>The Council publishes an Annual Report which provides further details of the Council's objectives, members, its activities over the year and forward-looking priorities. This Report publishes the Council's independent assessment of the LINK Scheme's performance against its consumer interest objectives.</p>



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	Full details of the LINK Consumer Council and its work, including the Annual Report, can be found at <a href="https://www.link.co.uk/initiatives/consumer-council/">https://www.link.co.uk/initiatives/consumer-council/</a> .
What has been the work of the LINK Consumer Council this year?	<p>The LINK Consumer Council leads the development and focus of the LINK Financial Inclusion Programme. This year, in the face of rapid declines in cash volumes, and the need to maintain access to cash for all communities, that work has included providing advice to the Board of LINK on how to maintain the footprint, developments of the LINK Mobile App to help consumers find convenient access to cash, and support for LINK's work in fraud management. Details are summarised in the Council's Annual Report, which can be found at <a href="https://www.link.co.uk/media/1572/link_consumer-report-2019.pdf">https://www.link.co.uk/media/1572/link_consumer-report-2019.pdf</a>.</p> <p>LINK has also been working on a pilot to offer cash from retailer terminals. This work is with PayPoint, a LINK deployer. The pilot is scheduled to launch on the 16<sup>th</sup> October 2020.</p>
What are the plans for the next 12 months?	The Council will continue its oversight of the LINK Financial Inclusion Programme. In addition, it is conducting research into the provision of free and pay ATMs across the UK to ensure that consumer access to cash remains satisfactory. It is also expecting to report on the findings and next steps from the pilot of access to cash from retailers' terminals.
<b>LINK's Website</b>	
How does the LINK website help consumers?	The LINK website <a href="https://www.link.co.uk/">https://www.link.co.uk/</a> provides a wide range of guidance and information for consumers. This includes an ATM locator, fraud prevention tips, details on how to suggest a new ATM location and details of LINK's Consumer Council.
How has the website developed over the last year?	LINK regularly updates the website to ensure that LINK's innovations, such as developments in maintaining financial inclusion, are clear and that the FAQs, for example, are providing consumers with the guidance they need. In addition, Post Office Counter locations have also been added to the ATM Locator.
What are the plans for the next 12 months?	LINK will continue to ensure that consumers have access to the information they need from the website, particularly around financial inclusion, for example being able to participate and contribute to LINK's various initiatives on new ATM locations.
<b>LINK's Mobile App</b>	



<p>How does the LINK Mobile App help consumers?</p>	<p>The LINK Mobile App is a free app that can be downloaded from both Apple and Android app stores and installed on consumers' smartphones. It enables consumers to find ATMs and Post Offices anywhere in the UK to withdraw cash. The App shows which ATMs are free-to-use and which charge consumers including how much and which ATMs have specific accessibility features such as audio assistance or the ability to dispense £5 notes. The App also shows consumers the opening hours of Post Offices.</p>
<p>How has the LINK Mobile App developed over the last year?</p>	<p>The LINK App is updated daily with the most recent ATM and Post Office Counter locations, functionality, charging information and opening hours. It is also updated periodically to ensure continued compatibility with the latest smartphone technology.</p>
<p>What are the plans for the next 12 months?</p>	<p>The App will continue to be updated to reflect current information on ATM and Post Office locations, functionality, charges and opening hours. The App will also be updated as required to ensure continued compatibility with the latest smartphone technology.</p> <p>Users of the App have the ability to leave reviews and ratings through the app store which the LINK team will use to help to inform future developments.</p>
<p><b>The Financial Inclusion Programme</b></p>	
<p>What is LINK's Financial Inclusion Programme?</p>	<p>LINK is committed to maintaining free access to cash across the UK for as long as consumers need it. This includes maintaining the coverage of free-to-use ATMs in remote and rural locations as well as improving free access in the most deprived areas of the UK.</p> <p>LINK has had a Financial Inclusion Programme since 2006, which has been focused on improving free access in the most deprived areas of the UK. The Programme was designed and set up following work with the Treasury Select Committee under the chairmanship of John (now Lord) McFall in 2006. Today, over 1,800 communities have free-to-use ATMs that didn't have one before. LINK does this through providing financial subsidies to operators who operate machines providing free access in the most deprived areas in the UK. This subsidy has increased over time and is now up to £2.75 per cash withdrawal for the ATMs that are used least and where there is no other free-to-use ATM within a kilometre.</p>



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	In addition to provision in deprived areas, LINK has committed to maintain the broad coverage of free ATMs and free access to cash within 1km of every High Street with at least 5 shops. This is achieved by LINK paying subsidies where appropriate to retain them. If any of these ATMs close or convert to pay-to-use then LINK will replace them.
What changes has there been to the Programme in the last 12 months and how have consumers benefited?	<p>To recognise the impact of the coronavirus crisis on cash usage and the ATM network, LINK has made changes to the frequency at which financial subsidies are reviewed from annually to quarterly. This is to ensure that financial support is provided to ATMs in remote, rural and deprived areas sooner making it less likely they will close or convert to pay-to-use.</p> <p>LINK has also launched a “Request an ATM” initiative which recognises that consumers and communities are best placed to determine where access to cash is needed. Any consumer can contact LINK directly to request an ATM and, where appropriate, LINK will work with ATM Operators to deploy one. It is expected that 100-150 new ATMs will be provided as a result.</p>
What are the plans for the next 12 months?	<p>LINK continually reviews the ATM footprint and will take action where necessary to protect the broad spread of free-to-use ATMs as well as those in remote, rural and deprived areas. This might include financial subsidies, provision of ATMs through direct commissioning or any other action which the LINK Board deems necessary to protect consumers and communities.</p> <p>The Financial Inclusion Programme is also currently being updated to ensure the most recent deprivation data is being used. This will result in some areas that are no longer deprived being removed from the Programme and areas that are newly deprived being brought into the Programme. Areas that are completely rural and not populated will also be removed from the Programme. These updates will be completed by Q1 2021.</p>
<b>Periodic Research and Publications</b>	
Does LINK use research and publications to help consumers?	LINK commissions a wide variety of research from organisations such as YouGov and CACI and from relevant experts to understand consumer behaviour in relation to payments, cash usage and accessibility. In addition, LINK works closely with industry bodies such as UK Finance and Pay.UK to create wider sources of information on consumers’ ATM and cash needs.
What research and publications has LINK done in the last 12 months?	LINK regularly publishes information to help consumers understand LINK’s role and the wider ATM industry. To this end, LINK has published a public version of its Strategy Plan, its Annual Report



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	<p>and monthly reports on LINK activity. In addition, in 2018, LINK commissioned a report on Access to cash in Rural Communities, by Professor Russel Griggs (OBE). This report is available to download from the LINK Website <a href="https://www.link.co.uk/publications/access-to-cash/">https://www.link.co.uk/publications/access-to-cash/</a>.</p> <p>LINK transaction and other statistical information is published at least weekly on the LINK website <a href="https://www.link.co.uk/about/statistics-and-trends/">https://www.link.co.uk/about/statistics-and-trends/</a> and on social media to enable consumers who are interested (and the bodies which represent them) to understand the changes in consumers' demand for cash.</p>
What are the plans for the next 12 months?	Consumers' demand for cash has changed significantly as a result of the coronavirus crisis and the profile of and interest in cash usage is as high as ever. LINK has been undertaking research on consumers' use and attitude to cash throughout the crisis and this will continue next year as the situation continues to evolve and develop.
Participation in Consumer Events	
Does LINK support consumer events?	Yes, LINK is always seeking relevant opportunities to engage with consumers, although at present these are largely online.
What has LINK supported in the last 12 months?	LINK participated in the Consumer Council of Northern Ireland's Consumer Conference in March but in the light of the coronavirus crisis other face-to-face events of this type have not taken place. However, LINK has an active programme of consumer engagement including community requests for new free-to-use ATMs via the website, promoted through the media and social media and LINK also has frequent contact with MPs and local councillors.
What are the plans for the next 12 months?	LINK will continue to develop these opportunities and particularly face-to-face contact if and when this becomes possible.





## Network Member Engagement

Network Member Governance	
<p>How does LINK engage with Network Members?</p>	<p>To participate in LINK, Network Members sign a contractual Members Agreement (MA), which in addition to other contractual documents describes their legal obligations to LINK as the Operator of the Payment System and to each other Network Member within LINK.</p> <p>The MA defines how decisions are made within LINK, includes provisions for the management of Member joining, participation and withdrawal from LINK and responsibilities on day-to-day operations “Operating Rules”.</p> <p>In addition to the MA, Network Members also sign a Switching and Settlement Agreement (SSA), which describes the relationship and legal obligations between Network Members and Vocalink, LINK’s infrastructure provider.</p> <p>Each Network Member is represented by a Network Member Representative who acts as “Relationship Manager” and is accountable to LINK for adherence to the above agreements. A Network Member Advisory Group (NMAG) provides advice and recommendations, and represents Network Member interests on operational matters. Each Network Member is entitled to be represented on NMAG.</p> <p>A full list of current network Members can be found at <a href="https://www.link.co.uk/members/members/">https://www.link.co.uk/members/members/</a>.</p>
<p>What engagement has there been with Network Members this year?</p>	<p>NMAG meets on a regular basis to discuss operational issues, including network performance, operational projects and innovation opportunities. During the last 12 months, NMAG has provided valuable support to a number of operational and technical projects, including a technical network release and a pilot to offer cash from retail terminals.</p> <p>NMAG has continually reviewed UK ATM availability during the coronavirus pandemic and as necessary acted to ensure efficient operation of the network and that consumer access to cash is maintained.</p>



	NMAG supports the need for increased collaboration between Network Members at an operational level to help focus action to mitigate the impact of fraud. Coordinated action aimed at sharing information on fraud attacks has been effective in helping combat ATM Fraud across the UK.
What are the plans for the next 12 months?	NMAG will continue its work to support LINK on operational matters into the forthcoming year to meet the demands of operational change. This includes work on ATM connectivity as the telecoms industry moves into provision of digital-only communications networks and keeping Network and Member systems updated to the latest industry security standards.
<b>Member Compliance Regime</b>	
How does LINK ensure Network Members maintain compliance to its rules?	Network Members must comply on a continuous basis with all Governance and Operational obligations as defined in the MA. An annual assurance process requires that all Network Members review their LINK specific controls and processes and provide assurance that adequate controls exist to mitigate any risk to LINK.
What has been done to ensure continued Network Member compliance in the last 12 months?	LINK maintains oversight of Network Member assurance through a continuous review programme to ensure compliance against the MA. In line with its regulatory obligations, LINK is in the process of implementing an Operational Resilience Framework. Network Member compliance will underpin this initiative.
What are the plans for the next 12 months?	Focus remains on maintaining operational resilience and assessing Network Member compliance impact resulting from ongoing operational change.
<b>LINK's Website</b>	
How do Members engage with the LINK Website?	<p>The LINK website <a href="https://www.link.co.uk/">https://www.link.co.uk/</a> presents a broad range of information which is useful to Network Members including statistical and trend data on the ATM Network, publications on ATM related subjects including ATM security best practice and authentication of Bank Notes. In addition, LINK publishes a regular report on the progress of its commitment to maintaining broad geographical UK ATM coverage <a href="https://www.link.co.uk/initiatives/financial-inclusion-monthly-report/">https://www.link.co.uk/initiatives/financial-inclusion-monthly-report/</a>.</p> <p>The LINK ATM Locator <a href="https://www.link.co.uk/consumers/locator/">https://www.link.co.uk/consumers/locator/</a> and LINK Mobile App are updated on a daily basis using information sourced directly from Network Members to ensure the latest LINK ATM Location and associated information is accessible to consumers where ever they are.</p>



<p>How has Network Member engagement with the LINK Website changed in the last 12 months?</p>	<p>LINK continually updates the LINK website to ensure that information is current. In the last 12 months, using direct consumer feedback, LINK has worked with Network Members to ensure ATM locator accurately reflects temporary closure of ATMs resulting from the closure of some premises during the coronavirus pandemic.</p>
<p>What are the plans for the next 12 months?</p>	<p>LINK will continue to ensure that consumers have access to the information they need from the website, particularly around financial inclusion, for example being able to participate in and contribute to LINK's various initiatives on new ATM locations.</p>
<p><b>The Financial Inclusion Programme</b></p>	
<p>How do Network Members engage with the Financial Inclusion Programme?</p>	<p>Network Members are key to LINK's Financial Inclusion Programme as they deploy, operate and fund the ATMs that provide the access to cash required in rural, remote and deprived communities in the UK.</p> <p>LINK works closely with Network Members to monitor the ATM footprint and is in constant dialogue to understand where ATMs are opening, closing or converting to pay-to-use. Where these changes impact on financial inclusion, LINK works with Network Members to provide financial support to ensure the continued operation of free-to-use ATMs where they are needed.</p> <p>Some Network Members are also represented on LINK's Consumer Council that provides advice on consumer issues relating to the UK cash machine network and represents consumer interests.</p> <p>LINK publishes a monthly ATM Footprint Report to show progress against its commitment to maintain broad geographical coverage of the ATM network in the UK. The latest report is available on the LINK website <a href="https://www.link.co.uk/initiatives/financial-inclusion-monthly-report/">https://www.link.co.uk/initiatives/financial-inclusion-monthly-report/</a></p>
<p>What changes has there been to network Member engagement with the programme in the last 12 months and how have Network Members benefited?</p>	<p>Over the last year, the mechanisms that LINK uses to engage with and incentivise Network Members to deploy ATMs through the Financial Inclusion Programme have been developed to improve their effectiveness. The Direct Commissioning process has been introduced through which LINK helps to find suitable and willing retailers to host ATMs to make it easier for Network Members to participate and bid. A 'Pledge' has also been introduced through which a number of Network Members have committed to bid through the direct commissioning process in the event that LINK does not receive any bids in the first round.</p>



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What is LINK's approach to Network Member engagement on Financial Inclusion in the next 12 months?	Financial Inclusion will continue to be a key focus for LINK over the next 12 months and LINK will continue to work with Network Members to improve existing processes to ensure that free-to-use ATMs continue to be available in rural, remote and deprived communities across the UK.
<b>Periodic Research and Publications</b>	
Does LINK use research and publications to support Network Members?	LINK provides Network Members with regular reporting of network statistics including breakdown of transactions volumes by Network Member and ATM transaction type. Network Members also provide data to support routine reporting to Pay.UK.
What research and publications has LINK done on the last 12 months?	LINK has maintained the schedule of structured reporting to Network Members throughout the year.
What are the plans for the next 12 months?	LINK will continue to provide Network Members with the information they need to understand the performance of LINK as a whole. As LINK evolves through innovation, reporting will be amended accordingly. LINK is in the process of developing additional reporting to help monitor the retail terminal pilot.
<b>Participation in Industry Events</b>	
Does LINK support industry events?	LINK regularly takes opportunities to contribute at industry events, although at present these are conducted online.
What industry events has supported any in the last 12 months?	LINK has spoken at a number of industry events in the last 12 months, including the 2020 ATM Industry Association (ATMIA) conference on Payment Innovation, Vendorcom, and the European Association for Secure Transactions (EAST).  LINK also takes a leading role in regular industry events related to ATM fraud.
What are the plans for the next 12 months?	LINK will continue to engage across the industry at ATM related events in the forthcoming year and seek further opportunities engage with Network Members.