



THE UK'S CASH MACHINE NETWORK

LINK MONTHLY REPORT

February 2021

LINK recommends that people continue to take their usual hygiene precautions for contact with surfaces whether they are using ATMs, spending cash, or making payments by methods such as cards or phones. In particular, washing your hands regularly and refraining from touching the eyes, nose and mouth.

1. KEY ACTIVITIES

As lockdowns continue across the UK, the LINK ATM network is operating to its usual high standard. LINK remains organised to support UK consumers' access to cash needs through effective risk management and operational resilience, both now and when the restrictions are relaxed and life returns to normal. LINK is working closely with its infrastructure provider Vocalink and Network Members, all of whom are applying a vigorous focus on maintaining good ATM coverage throughout the ongoing coronavirus crisis.

The LINK Board held its regular monthly meeting by videoconference in early February with the Bank of England attending to discuss the findings of its Annual Risk Review. The Bank of England regulates all systemically important payment systems such as LINK and its work through the Annual Risk Review helps LINK to maintain its excellent operational performance. The Board was also updated on the Access to Cash Roundtable which is helping to develop how the industry sustains access to cash as usage by consumers drops. It also reviewed the LINK Footprint Report, which tracks LINK's effectiveness in meeting its commitments to consumers. This is published at <https://bit.ly/37XgXFj>.

The Board then reviewed the key risks and how they are managed and was pleased to see that LINK's overall risk profile remains stable as a result of this continued focus on controls and mitigations.

LINK staff continue to work effectively on a remote basis. A number of new staff have been successfully on-boarded and there are programmes in place to help support the entire team during an extended period of remote working. In line with the Government's advice, LINK has suspended field-based activity to support Direct Commissioning, but this will resume as soon as restrictions are eased. There are currently no commercial or operational issues causing major concern. LINK and its various service providers continue to perform to the expected very high standard.

2. LINK VOLUMES AND VALUES

LINK transaction volumes and values in January were affected by the various lockdowns across the UK and the volume of LINK transactions was down 46%, and values 38%, when compared to January 2020. The difference between volume and value is because the average value has increased significantly to £84 this year from £67 in 2020. This increase in average value was also seen during the 2020 lockdowns.

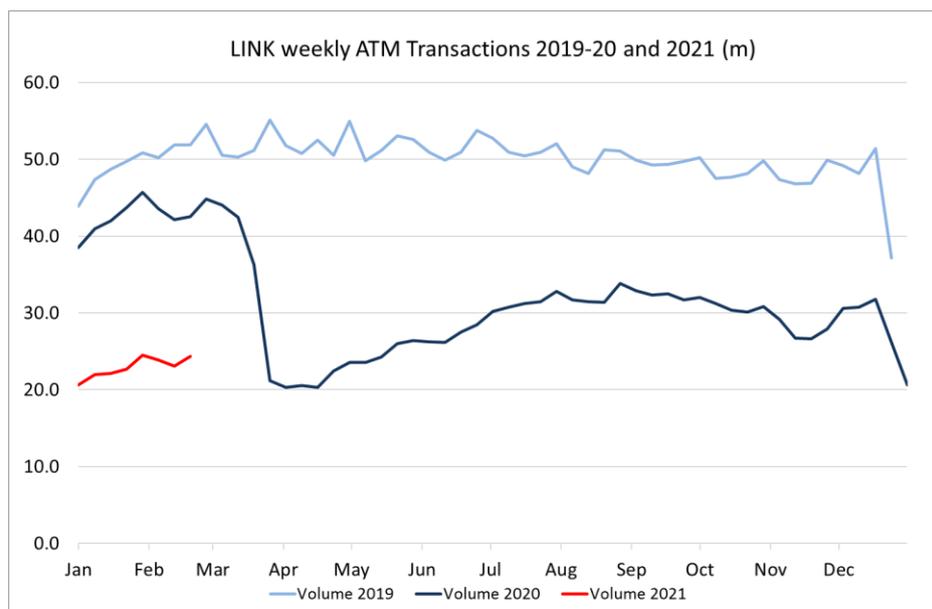
January is typically the quietest month of the year but even in the current unprecedented circumstance, when only essential shops are open and travel and leisure very restricted, there were still almost 100 million LINK transactions and over £5 billion withdrawn. The table summarises the position.

LINK Transaction Volumes (millions)													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2019	209	207	232	220	232	221	226	225	211	214	208	204	2,608
2020	185	181	155	91	110	117	139	141	139	138	118	129	1,643
2021	99												99

LINK Transaction Values (£millions)													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2019	£8,788	£8,859	£10,211	£9,701	£10,354	£9,837	£10,070	£10,271	£9,336	£9,512	£9,494	£9,985	£116,417
2020	£8,182	£8,258	£7,450	£4,399	£5,664	£5,972	£7,076	£7,105	£6,903	£6,939	£6,016	£7,044	£81,010
2021	£5,062												£5,062

The chart below shows how LINK weekly transactions volumes and values changed through from January 2019. After the large fall in the first lockdown in March/April 2020, ATM use increased through the early summer as various restrictions were relaxed. This reached a peak in August from a combination of people taking “staycations” in the UK and spending being boosted by the eat-out-to-help-out scheme. However, Autumn saw LINK ATM usage decline, roughly at the same rate as 2019, until the tightening of restrictions in October and especially November reduced ATM use quite significantly, although not as much as the first lockdown in March/April. January 2021 has continued this pattern of reduced ATM use.

LINK weekly transaction volumes



3. ATM NUMBERS

ATM coverage across the UK remains satisfactory. A large number of the ATMs that closed due to the April/May 2020 lockdown reopened, although some have remained shut due to social distancing requirements or the continued closure of the premises which house them.

The November lockdowns led to ATM numbers falling once again as host premises closed, although a few managed to reopen in December before restrictions were reintroduced. January has seen essential shops only being open as well as restrictions on travel and leisure. The numbers of ATMs reflect this. There are around 54,000 operational LINK ATMs, the same number as in June – July 2020 and, despite the restrictions, the overall operational performance of the network continues to be high.

LINK ATM Numbers by Type and Owner 2020												
2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Branch	15,588	15,605	15,583	15,391	15,351	15,309	15,311	15,292	15,198	15,098	15,044	14,987
Free Remote	29,638	29,336	28,478	25,392	25,393	25,652	26,240	26,875	27,050	27,077	26,598	26,740
Total Free	45,226	44,941	44,061	40,783	40,744	40,961	41,551	42,167	42,248	42,175	41,642	41,727
Pay to use	15,323	15,307	13,745	12,412	12,549	12,814	12,999	13,398	13,426	13,373	12,780	12,847
Total ATMs	60,549	60,248	57,806	53,195	53,293	53,775	54,550	55,565	55,674	55,548	54,422	54,574
Bank and Building Societies	25,148	25,001	24,955	23,268	23,236	23,294	23,309	23,295	23,130	22,971	22,897	22,856
Non Card Issuers	35,401	35,247	32,851	29,927	30,057	30,481	31,241	32,270	32,544	32,577	31,525	31,718
Total ATMs	60,549	60,248	57,806	53,195	53,293	53,775	54,550	55,565	55,674	55,548	54,422	54,574

LINK ATM Numbers by Type and Owner 2021												
2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Branch	14,917	-	-	-	-	-	-	-	-	-	-	-
Free Remote	26,541	-	-	-	-	-	-	-	-	-	-	-
Total Free	41,458	-	-	-	-	-	-	-	-	-	-	-
Pay to use	12,491	30,230	29,714	29,127	28,151	27,331	26,510	25,653	25,118	24,558	24,297	22,798
Total ATMs	53,949	30,230	29,714	29,127	28,151	27,331	26,510	25,653	25,118	24,558	24,297	22,798
Bank and Building Societies	22,801	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Non Card Issuers	31,148	0	0	0	0	0	0	0	0	0	0	0
Total ATMs	53,949	0										

4. MAINTAINING ACCESS TO CASH

LINK's Financial Inclusion Programme continues to be effective in maintaining free access to cash for consumers in rural, remote and deprived communities across the UK. To-date, 58 free-to-use ATMs have been targeted for replacement and resolved, with 26 resolved through Direct Commissioning, and 19 resolved through premiums. Overall, over 3,500 ATMs are in receipt of a subsidy as part of LINK's work on financial inclusion. LINK is also now using social media to further raise awareness of the initiative and continues to welcome requests for ATMs <https://bit.ly/3r4HDLJ>.

5. LINK FOOTPRINT REPORT

LINK is committed to maintaining free access to cash for many years to come through an extensive network of ATMs, the footprint of which covers the same area as it did on 1st February 2018. This includes *Protected ATMs* which are 1 kilometre or more away from another free ATM and are therefore vital for their local communities' cash access. These Protected ATMs are analysed every month and the changes are summarised below. There are now 58 ATMs which have been replaced through this programme.

December 2020	ATMs	Monthly change
Total Protected ATMs	3,111	20
Live ATMs	2,694	13
ATMs No Longer Transacting	417	7
Temporarily out of action	66	-1
Investigations with operator underway	23	-1
ATMs Confirmed as Closed	328	9
ATMs not being replaced (a)	274	10
ATMs targeted for replacement	54	-1
LINK Members offered premiums for replacement	1	0
LINK directly commissioning a replacement	26	-3
Resolution not possible (b)	27	2
ATMs previously targeted for replacement and now resolved (c)	58	

Notes

(a) ATMs are not replaced where consumers have free access to cash over the counter from a nearby post office, where the site was not accessible to the general public, where there are security concerns, or where there is assessed to be no community detriment following a site visit by LINK.

(b) Where it is not currently possible to replace a *Protected ATM* for reasons such as no suitable premises within 1km, no willing site owners to host an ATM or no operator willing to deploy an ATM. LINK may still consider alternative actions and these sites remain on file.

(c) Sites which were targeted for replacement through the programme and now have free access to cash via an ATM, whether through Premiums, Direct Commissioning or through the free competitive market.

6. PRESS RELEASES

27th January 2021: Consumers still withdrew £1,500 per person in 2020, despite ATM transactions falling by 37%.

<https://www.link.co.uk/about/news/consumer-usage-2020/>