
LINK MONTHLY REPORT

January 2023





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2. KEY ACTIVITIES

LINK is the UK's Cash Access and ATM Network, connects virtually all the UK's ATMs and provides communities with access to cash through services such as cash at retailers' tills and Banking Hubs. LINK continues to operate to its usual high standard and remains well positioned to support consumers' access to cash needs through effective risk management and high levels of operational resilience. LINK is working closely with its infrastructure provider and Network Members, all of whom continue to perform well.

The LINK Board held a remote meeting in early January and a full meeting in February. January was to review strategic progress and address any urgent issues. Areas considered included cash volumes which although well below pre-COVID levels remain in-line with the expected long-term decline in consumers' use of cash. The Board also carefully considered the rapidly developing programmes to support access to cash, including the launch of *Cash Access UK* which will be responsible for the delivery of the new banking hubs. This meeting was also attended by senior executives from Vocalink. February's Board meeting continued these themes with the Board also getting reports from the Audit Committee and LINK's Consumer Council which is now looking at digital exclusion as well as cash.

LINK continues to focus on its people planning and a number of new staff have recently joined the organisation. Careful network oversight continues and there are no commercial or operational issues causing concern at present. LINK and its various service providers continue to perform to the expected very high standard.

3. LINK VOLUMES AND VALUES

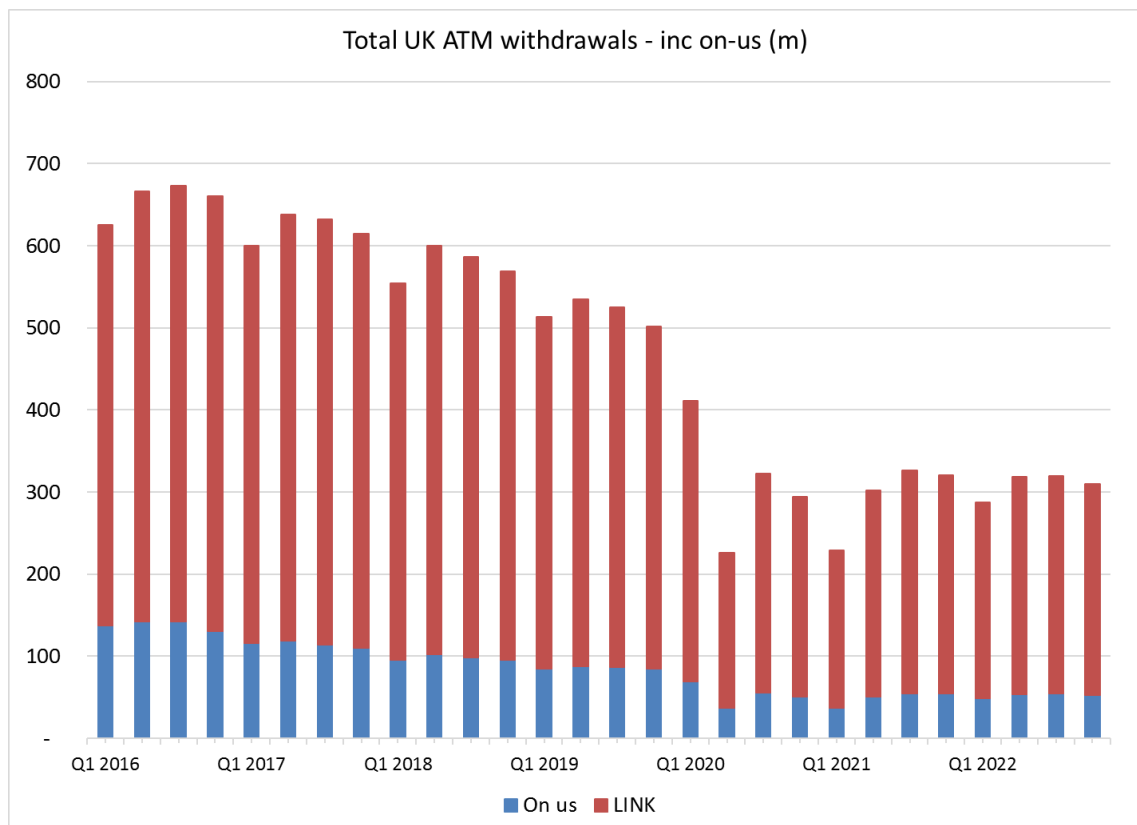
January saw 115m LINK ATM transactions, down 3% on January last year and 38% down on pre-pandemic January 2020. Almost £6 billion was withdrawn, slightly up on last year as consumers continue to take out slightly more cash on average when they visit an ATM.



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	2608
2020	185	181	155	91	110	117	139	141	139	138	118	129	1643
2021	99	97	114	123	131	133	140	140	137	141	133	135	1522
2022	118	117	134	135	138	135	144	137	132	134	132	130	1587
2022	115												115

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	£5,127	£5,995	£6,446	£6,809	£6,757	£7,242	£7,177	£6,928	£7,156	£6,785	£7,478	£78,960
2022	£5,946	£6,018	£6,952	£7,047	£7,065	£6,921	£7,481	£7,054	£6,848	£6,959	£6,932	£7,558	£82,781
2022	£5,979												£5,979

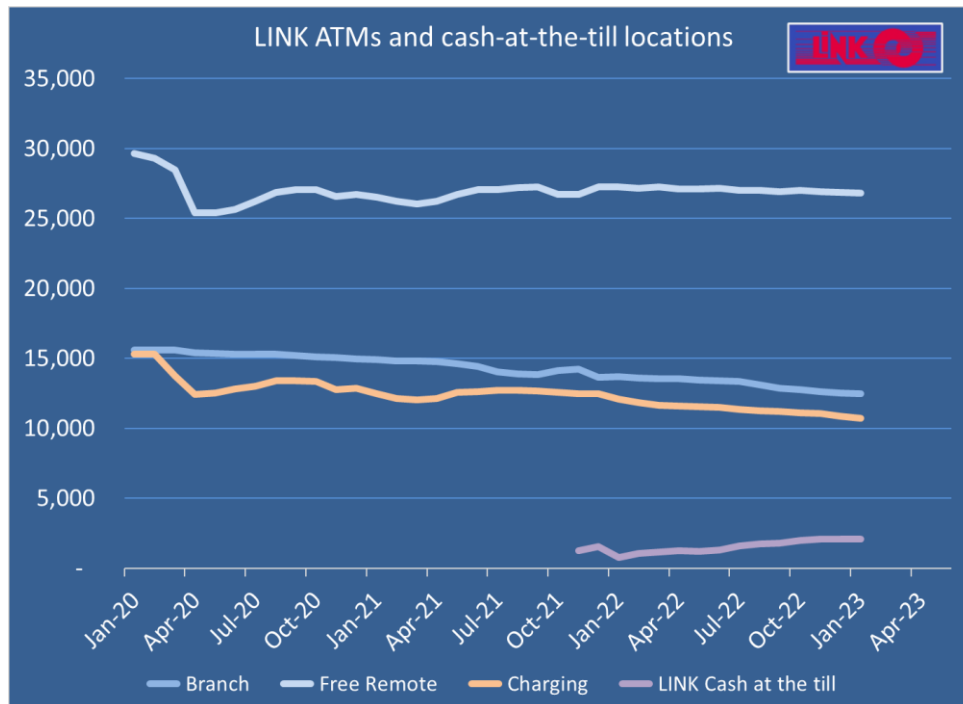
If we look at total cash withdrawals, ie including on-us when people use their own bank or building society's ATMs, then Quarter 4 2022 was 3% down on Q4 2021. On-us withdrawals account for 16% of all cash withdrawals, a proportion which has been steadily falling in recent years as banks close branches and remote ATMs are increasingly operated by independent operators (IADs). Pay-to-use cash withdrawals currently account for 5% of the total. As can be seen from the chart below, while ATM use fell significantly during the pandemic, it has remained broadly stable since and is perhaps now not too far below where it might have been in any case.





4. ATM NUMBERS

ATM coverage across the UK in 2022 continues to be broadly stable and in line with LINK's strategy and Financial Inclusion Programme objectives with only a very slow decline in non-branch free-to-use ATMs in the last year. Branch and charging ATM numbers continue to decline at a faster rate as branches close and host locations decide they no longer need charging ATMs or no longer take in enough cash to replenish them.



LINK ATM Numbers by Type and Owner 2022												
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Branch	13,711	13,611	13,557	13,548	13,471	13,411	13,368	13,094	12,890	12,754	12,637	12,541
Free Remote	27,245	27,178	27,243	27,128	27,103	27,152	27,037	26,996	26,939	27,005	26,905	26,888
Total Free	40,956	40,789	40,800	40,676	40,574	40,563	40,405	40,090	39,829	39,759	39,542	39,429
Pay to use	12,083	11,824	11,671	11,606	11,550	11,516	11,355	11,269	11,216	11,136	11,064	10,871
Total ATMs	53,039	52,613	52,471	52,282	52,124	52,079	51,760	51,359	51,045	50,895	50,606	50,300
Bank and Building Society	20,721	20,252	19,878	19,828	19,716	19,670	19,627	19,333	19,100	18,997	18,883	18,575
Non Card Issuers	32,318	32,361	32,593	32,454	32,408	32,409	32,133	32,026	31,945	31,898	31,723	31,725
Total ATMs	53,039	52,613	52,471	52,282	52,124	52,079	51,760	51,359	51,045	50,895	50,606	50,300

LINK ATM Numbers by Type and Owner 2023												
2023	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Branch	12,481											
Free Remote	26,814											
Total Free	39,295											
Pay to use	10,745											
Total ATMs	50,040											
Bank and Building Society	18,468											
Non Card Issuers	31,572											
Total ATMs	50,040											

5. MEDIA RELEASE

27 January 2023 - 76 communities to have new cash services following LINK's latest recommendations.

<https://www.link.co.uk/about/news/76-communities-to-have-new-cash-services-following-link-s-latest-recommendations/>



A further nine new Banking Hubs and six new deposit services have been recommended by LINK, thanks to a commitment from the banking industry to protect access to cash. That takes the total number of new cash services recommended by LINK to 76; 38 Banking Hubs and 38 Deposit Services.

6. 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, 99 lost free-to-use ATMs have been targeted for replacement and resolved, 47 through Direct Commissioning, 19 through Premiums and the remaining 33 by regular installation programmes.

Overall, over 3,500 ATMs get a subsidy as part of LINK's work on financial inclusion. LINK is now using social media to further raise awareness of the initiative and continues to welcome requests for ATMs. Please see the LINK website for more details

<https://www.link.co.uk/consumers/request-access-to-cash/>.

7. LINK FOOTPRINT REPORT

LINK is committed to maintaining free access to cash for many years to come through an extensive network of ATMs, which covers the same area as it did on 1st February 2018. This includes Protected ATMs which are machines 1km or more away from another free ATM and are therefore considered vital by LINK for their local community.



These Protected ATMs are analysed every month and the changes are summarised below.

December 2022		Monthly change
Total Protected ATMs	3,335	13
Live ATMs	2,893	6
ATMs No Longer Transacting	442	5
Temporarily out of action	21	3
Investigations with operator underway	9	
ATMs Confirmed as Closed	412	2
ATMs not being replaced (a)	350	-3
ATMs Targeted for Replacement	62	5
LINK directly commissioning a replacement	13	4
Resolution not Possible (b)	49	1
ATMs previously targeted for replacement and now resolved (c)	99	

Notes - LINK Footprint Report

(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 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.