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# LINK MONTHLY REPORT

February 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 its March meeting at LINK's offices which gave Directors an opportunity to see the LINK team in action and meet staff. The Board considered the CEO's Report in detail, noting, in particular, that ATM coverage remains in line with LINK's strategy and Financial Inclusion Programme objectives. Coverage for free ATMs is currently tracking at approximately 40,000 and LINK's publicly stated position forecasts this to reduce to approximately 20,000 by 2031. The Financial Services and Markets Bill is progressing as anticipated and it is expected that the detail on how banks will be expected to support access to cash will be provided in the Treasury's forthcoming Policy Statement.

The Board also carefully reviewed the work of the Co-ordinating Body, noting that activities are progressing according to plan and the Criteria are performing well, with 80 locations identified so far for new services, to include both banking hubs and deposit services. It is expected that LINK will have recommended more new services by the end of the year, in line with the ongoing announcements on bank closures. The Board also was pleased to hear that Joanna Wallace has been appointed as the Independent Assessor to manage consumer issues in relation to the Co-ordinating Body work and that new staff have been recruited by LINK to support community assessments and consumer questions.

LINK continues to focus on its people planning as new staff join 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 as expected.



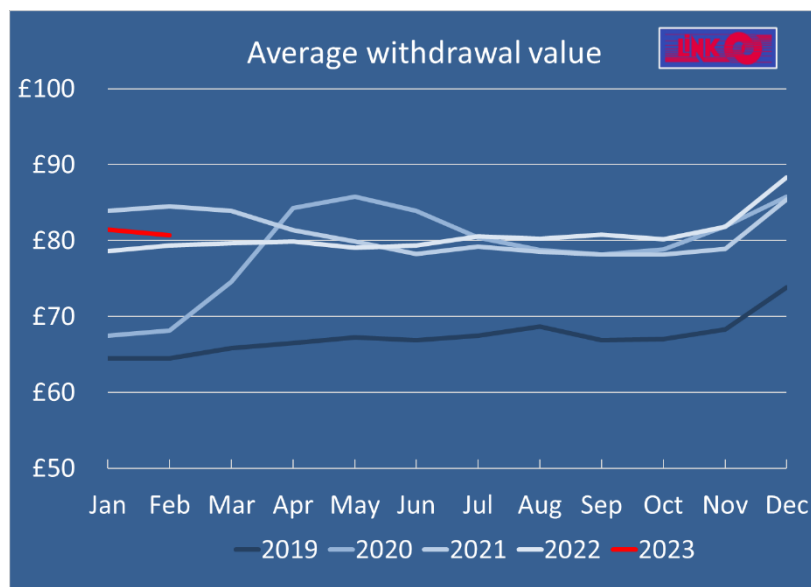
### 3. LINK VOLUMES AND VALUES

February saw 114m LINK ATM transactions, down 2% on last year and 35% down on pre-pandemic February 2020, which was just about to enter the first lockdown. Over £6 billion was withdrawn in February, almost identical to February last year as consumers continue to take out slightly more cash on average when they visit an ATM. This means for the year to end Feb volumes are down 2.6% year on year but volumes are almost identical.

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	97	114	123	131	133	140	140	137	141	133	135	1,522
2022	118	117	134	135	138	135	144	137	132	134	132	130	1,587
2022	115	114											229

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	£6,022											£12,001

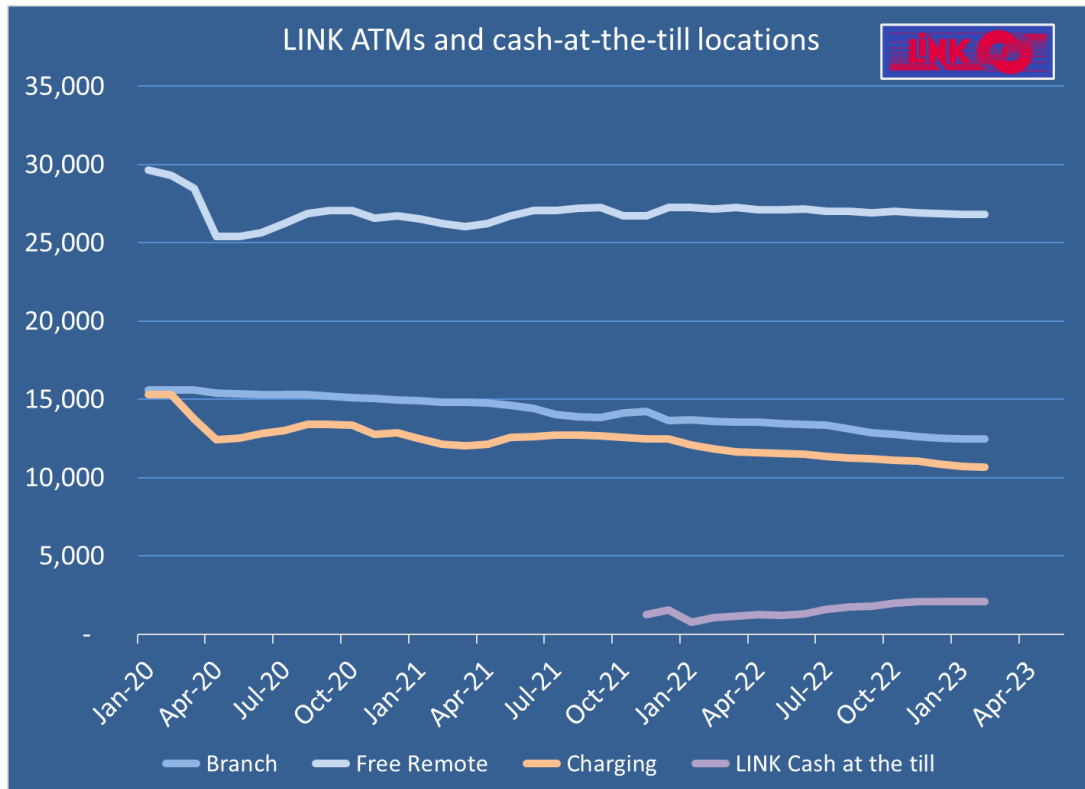
This increase of average withdrawal value can be clearly seen in the chart below with values over £80 this year which is up on last year and much higher than pre-pandemic 2019 and 2020. 2021 had higher average values but this was driven by the lockdown then in place.





#### 4. ATM NUMBERS

ATM coverage across the UK in 2023 continues to be broadly stable and consistent with the forecasts in LINK's strategy, with 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.



#### 5. 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, 100 lost free-to-use ATMs have been targeted for replacement and resolved, 48 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/>.



## 6. 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 1<sup>st</sup> 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.

January 2023		Monthly change
Total Protected ATMs	3,340	5
Live ATMs	2,889	-4
<b>ATMs No Longer Transacting</b>	<b>451</b>	<b>9</b>
Temporarily out of action	20	-1
Investigations with operator underway	12	3
<b>ATMs Confirmed as Closed</b>	<b>419</b>	<b>7</b>
ATMs not being replaced (a)	353	3
<b>ATMs Targeted for Replacement</b>	<b>66</b>	<b>4</b>
LINK directly commissioning a replacement	18	5
<b>Resolution not Possible (b)</b>	<b>48</b>	<b>-1</b>
<b>ATMs previously targeted for replacement and now resolved (c)</b>	<b>100</b>	

### 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.

## 7. MEDIA RELEASE - Five new banking hubs confirmed following community requests



<https://www.link.co.uk/about/news/five-new-banking-hubs-confirmed-following-community-requests/>

22<sup>nd</sup> March 2023 - LINK is delighted to confirm the following locations have been recommended to benefit from new shared banking hubs:

- Abergele, Conwy (Wales)
- Ampthill, Bedfordshire
- Helston, Cornwall
- Kilwinning, Ayrshire (Scotland)
- Market Rasen, Lincolnshire

To date, there are four banking hubs open in Brixham (Devon), Cambuslang (South Lanarkshire), Cottingham (East Ridings of Yorkshire) and Rochford (Essex). Following today's announcement, there are a further 39 hubs that are being delivered collectively by Cash Access UK.

John Howells, LINK CEO commented *"Cash and face-to-face services remain vital for high streets across the country. LINK will assess the impact of every single branch closure to determine whether additional cash services are required like a new ATM, deposit solutions or a banking hub. I'm really pleased that we're also hearing directly from communities, many of whom lost their services several years ago. The new banking hubs announced today will be an important asset to these high streets."*