
LINK MONTHLY REPORT

July 2023





1. CONTENTS

2. Key Activities
3. LINK Volumes and Values
4. ATM Numbers
5. Consumer Research – How easy or difficult do you find accessing cash?
6. Maintaining Access to Cash
7. Footprint Report

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 recommending communities for 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 works closely with its infrastructure provider and Network Members, all of whom continue to perform well.

The LINK Board does not normally meet in August but as usual a number of communications and approvals took place by telephone and email. The Chair and CEO remain in regular contact and the Board is convened if circumstances require it. The Board will meet in early September for a regular Board meeting.

LINK's 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. The delay to RTGS on 14th August meant the usual daily settlement for LINK Members was later than usual, but contingency and communication plans were in place and operated as intended and there was no operational impact.

Access to cash and indeed wider issues surrounding cash continue to get a lot of interest and LINK has been closely engaged with regulators, other stakeholders and the media over the summer.

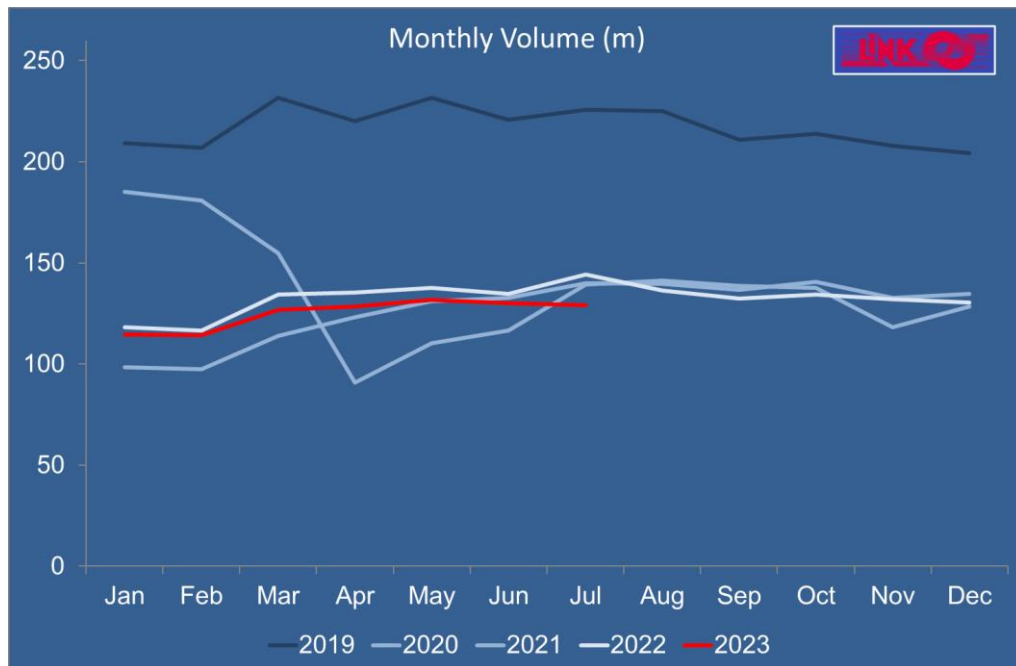
LINK will be submitting a response to HM Treasury's, *Future of Payments Review 2023: Call for Input*, published on 11th July 2023 and this will be available on the LINK Website in due course.

3. LINK VOLUMES AND VALUES

July saw the number of ATM transactions fall by 1% compared to June, which is unusual as there is usually a significant month-on-month rise. This meant total transactions were almost 11% down on July 2022 and indeed they were below those of July in all recent years'. Some of this is due to the structural decline in consumers' cash usage, some will be down to the cost-of-living crisis, transport strikes and alike and some will be down to this year's cold and wet weather, especially when compared to 2022.



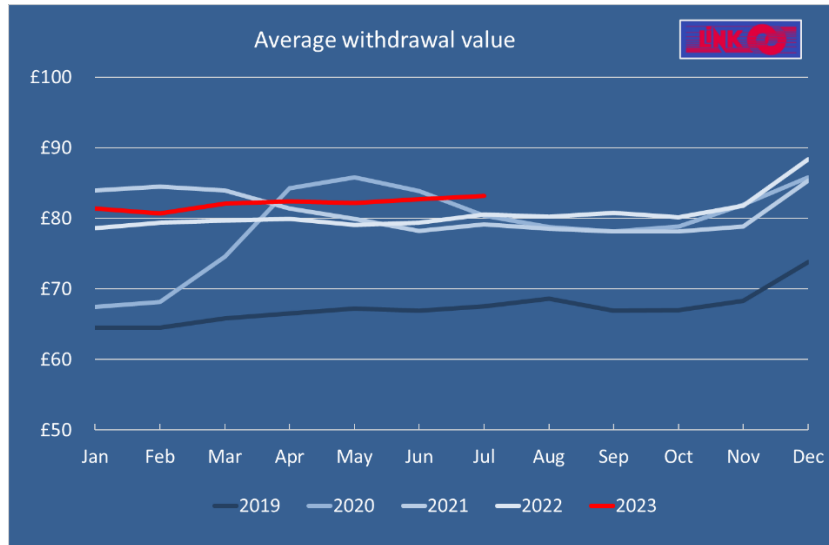
LINK Transaction Volumes (millions)													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2019	209	207	232	220	232	221	226	225	211	214	208	204	2,608
2020	185	181	155	91	110	117	139	141	139	138	118	129	1,643
2021	99	97	114	123	131	133	140	140	137	141	133	135	1,522
2022	118	117	134	135	138	135	144	137	132	134	132	130	1,587
2023	115	114	127	128	132	130	129						875



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
2023	£5,979	£6,022	£6,837	£6,883	£7,063	£7,016	£7,025						£46,825

The value of cash withdrawn also fell when compared to July last year although, as is usual, the reduction in values (6.1%) was a lot less than transactions (10.6%). This is because the average value withdrawn each time continues to rise and July's £83.21 was £2.67 above July 2022 and £15.71 (23%) above pre-pandemic 2019. This is a very well-established pattern and may reflect changes in consumers' shopping, work and travel habits and perhaps a willingness to take out a larger sum, expecting it to last them some time, rather than regular lower values which they only expect to last them a day or so.

The final change worth noting is the proportion of balance enquires. This now stands at 29% of total transactions, down from 31% last year. This may appear a small change but this ratio is usually very consistent.



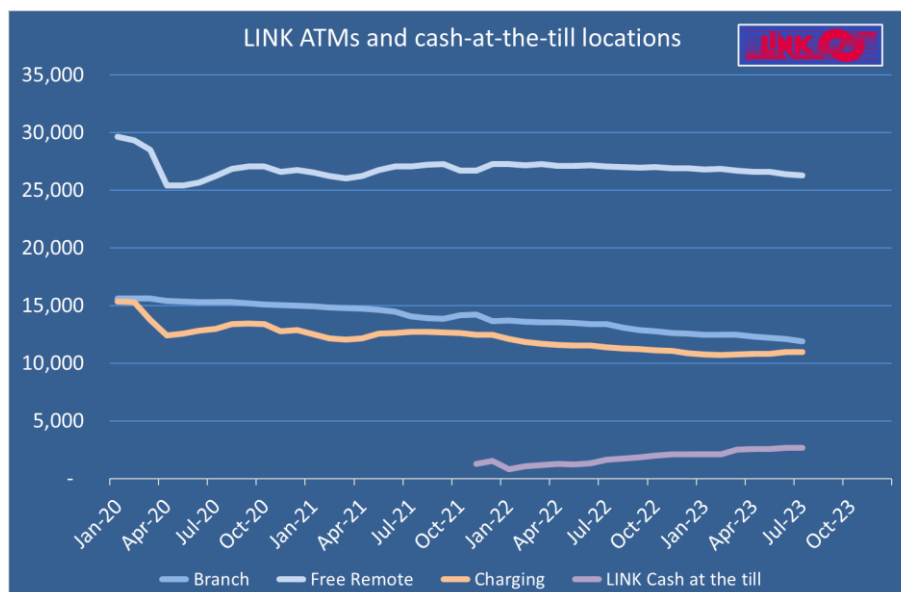
For more information and regular updates on cash and ATMs, see the LINK website www.link.co.uk or LinkedIn <https://www.linkedin.com/company/2837871/> or Twitter [LINK Scheme@LINK_ATM_Scheme](https://twitter.com/LINK_ATM_Scheme).

4. ATM AND CASH-AT-THE-TILL NUMBERS

ATM coverage across the UK 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 past year. There are currently just over 49,000 ATMs in the UK, of which 38,180 are free-to-use. In the past year branch and charging ATM numbers have declined at a faster rate than non-branch sites as branches close and host locations decide they no longer need charging ATMs or no longer take in enough cash to replenish them.

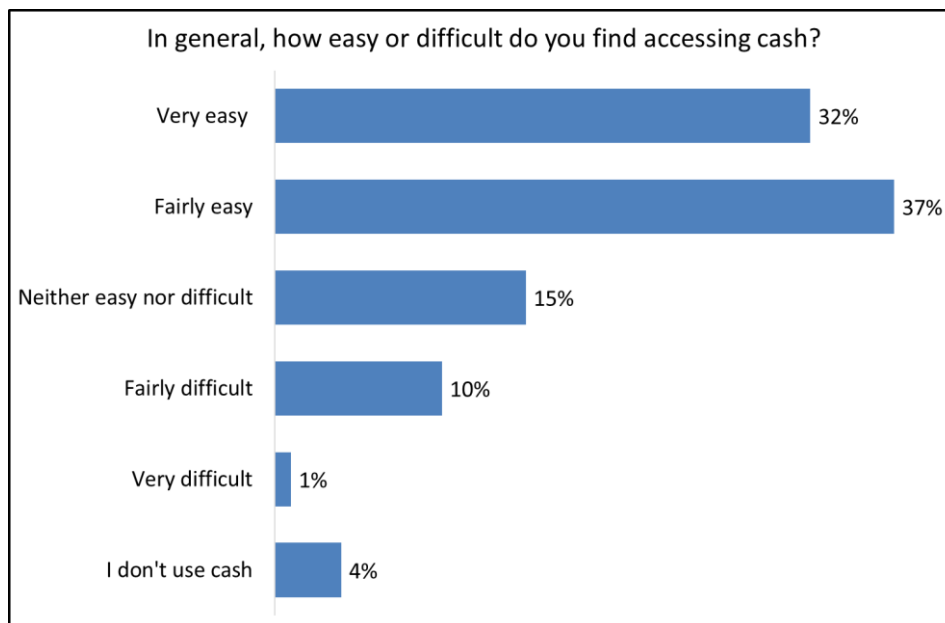
There are now over 2,600 locations offering the LINK cash at the till service and more information on this service can be found on the LINK website.

<https://www.link.co.uk/consumers/cash-at-the-till/>.



5. CONSUMER RESEARCH – HOW EASY OR DIFFICULT DO YOU FIND ACCESSING CASH?

LINK conducts regular research into consumers' use of cash and the latest survey shows that when asked "how easy or difficult do they find accessing cash?" almost 70% said it was easy, only 11% finding it difficult, and of these, only 1% described it as very difficult. Interestingly, older people (55+), said were more likely to find cash access easy (78%) vs younger people 25-35 (61%).



When those who said it was cash access was difficult were asked why, 75% say they have to go out of their way to get cash, with other issues being paying fees (24%), ATMs not working (22%), or feeling unsafe (19%). Only 3% of those who said cash access was difficult said that it was using ATMs themselves.

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, 111 lost free-to-use ATMs have been targeted for replacement and resolved, 49 through Direct Commissioning, 19 through Premiums and the remaining 43 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. See the LINK website for more details <https://www.link.co.uk/consumers/request-access-to-cash/>.

On 14th July 2023 the PSR published its first Annual Review of Specific Direction 12 (SD12), designed to support LINK as it continues to do all it can to fulfil its commitment to maintain a broad geographic spread of free-to-use (FTU) ATMs. The PSR has



concluded that SD12 is working well and should remain in place and it will undertake another review in spring 2024. The report, (link below) notes that “LINK’s policies and processes to maintain, install and/or replace FTU ATMs are working well to ensure a broad geographic spread. Looking across all cash access points (i.e., ATMs, Post Office, retailer cashback), our latest data suggests that coverage is good – 96.5% of the UK population live within 2km of a cash access point, with 99.8% living within 5km”.

<https://www.psr.org.uk/publications/general/first-annual-review-of-specific-direction-12/>

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.

June 2023		Monthly change
Total Protected ATMs	3,396	5
Live ATMs	2,929	12
ATMs No Longer Transacting	467	-7
Temporarily out of action	14	-3
Investigations with operator underway	7	-6
ATMs Confirmed as Closed	446	2
ATMs not being replaced (a)	370	2
ATMs Targeted for Replacement	76	6
LINK directly commissioning a replacement	24	
Resolution not Possible (b)	52	
ATMs previously targeted for replacement and now resolved (c)	111	3

The latest Footprint Report can always be found on the LINK website at: <https://www.link.co.uk/initiatives/financial-inclusion-monthly-report/>.



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.
