
LINK MONTHLY REPORT

May 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 met in early June and carefully considered the CEO's Report, noting the progress of the Financial Services and Markets Bill through parliament and that the Treasury's subsequent Policy Statement will be crucial in determining the legal protection cash will receive. In the meantime, LINK continues to focus on its role of selecting the locations which require support. The nature and timing of the new infrastructure that is delivered is the responsibility of Cash Access UK and the new facilities are now beginning to be regularly opened. As always, the Board carefully discussed and reviewed LINK's Operational Report, Scheme Governance and Development Report and the Risk Report. The Board also approved the half year Strategy Scorecard and was pleased to note that all key objectives are "green". Finally, the Board noted LINK's response to the Bank of England and Treasury's Consultation on the Digital Pound.

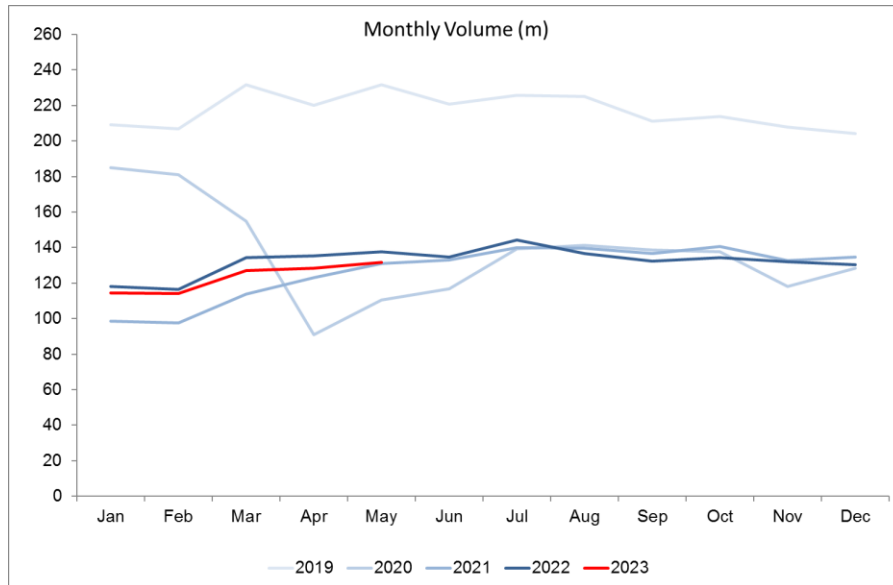
LINK's careful network oversight continues and there are no commercial or operational issues causing concern at present. LINK and its various service providers continue to perform as expected.

3. LINK VOLUMES AND VALUES

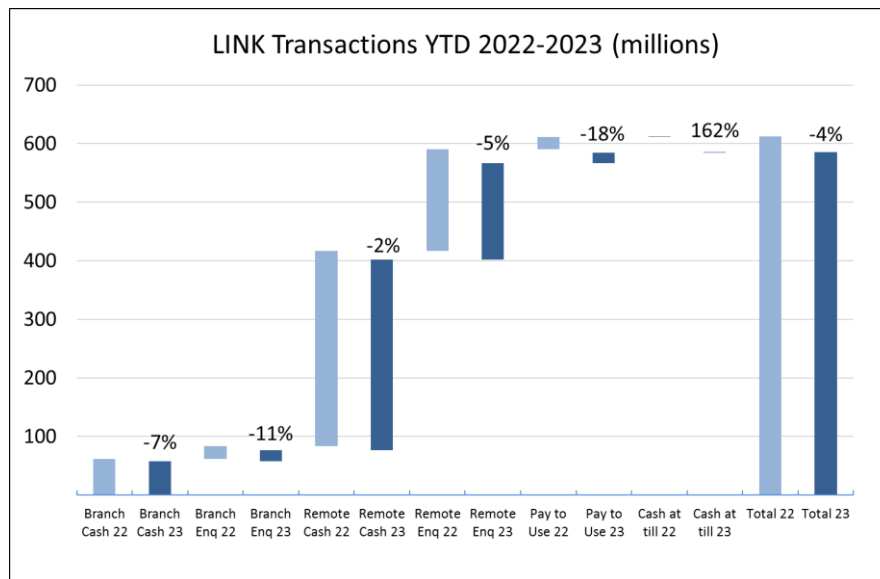
May saw ATM transactions continue to track slightly below last year's at 4.2% down, although the value of cash withdrawn was effectively identical to 2022's at just over £7 billion. The average withdrawal value continues to rise. For 2023 to end May, transactions are down 4.0% while values are down only 0.7%, which is as expected.



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								616



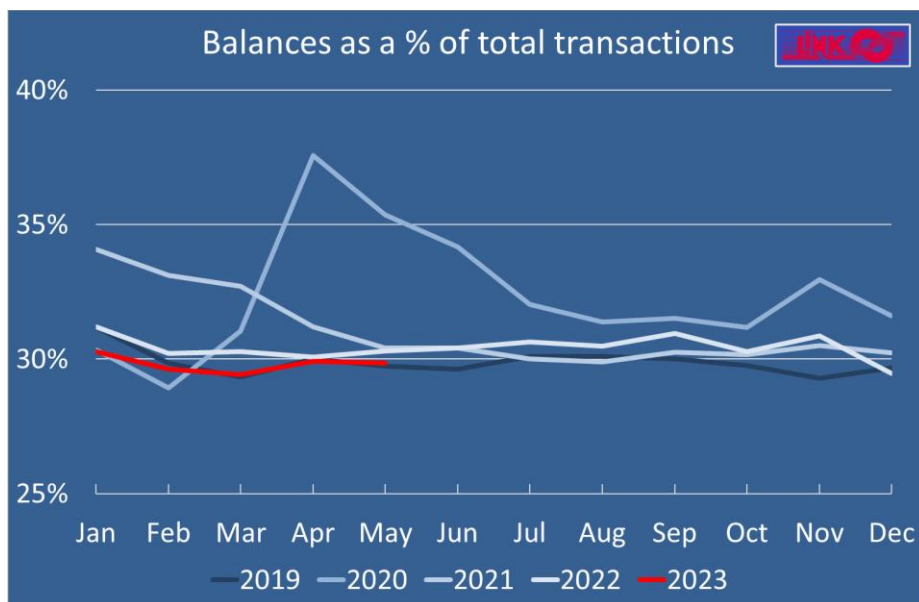
Where the changes to LINK transactions come from is not consistent. Branch and charging ATMs are seeing the largest reductions, (as branches close and some locations stop needing or generating cash) while free non-branch machines in locations like supermarkets, convenience store and shopping centres are seeing the smallest reductions.





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								£32,784

The proportion of ATM transactions which are balance enquiries remains significant at around 30% and, while this rose during the various COVID19 lockdowns, is it now almost identical to where it was in 2019. The chart below shows this. This suggests that, despite the changes in consumers' behaviour and increased access to channels like online banking and mobile apps, the ability to check an account balance at an ATM remains a valuable service, at least for some people.



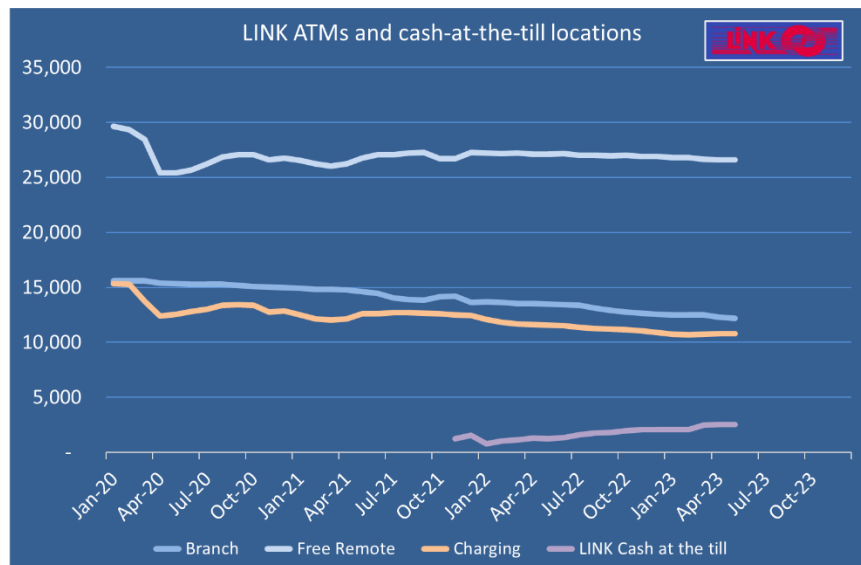
For more information and regular updates on cash and ATMs, see the LINK website www.link.co.uk or LinkedIn <https://www.linkedin.com/company/2837871/> or Twitter [LINK Scheme@LINK_ATM_Scheme](https://twitter.com/LINK_ATM_Scheme).

4. ATM NUMBERS

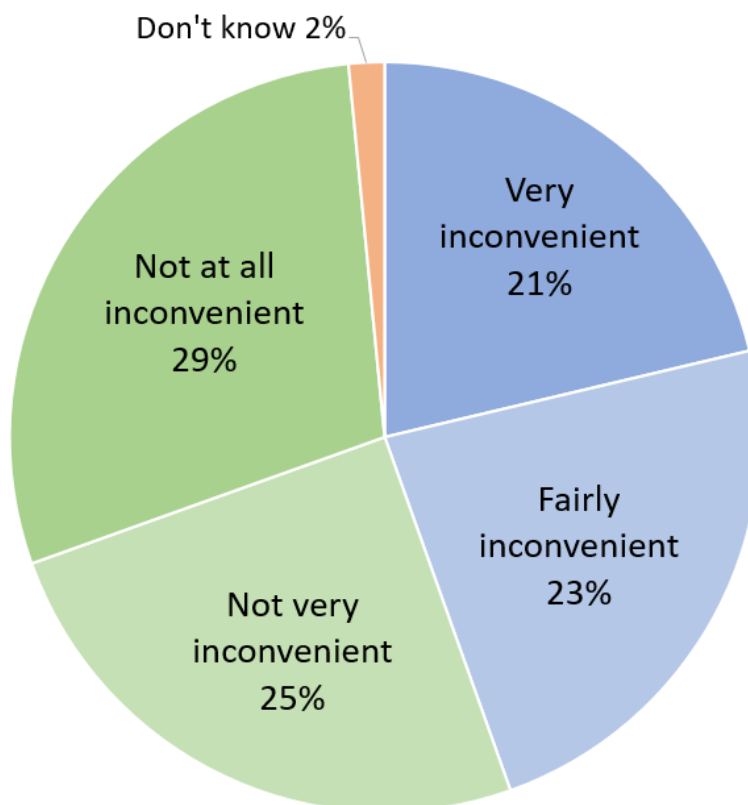
ATM coverage across the UK continues to be broadly stable and consistent with the forecasts in LINK's strategy, with a very slow decline in non-branch free-to-use ATMs in the past year. There are currently just over 49,500 ATMs in the UK, of which 38,700 are free-to-use, with branch and charging ATM numbers continuing 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.



There are now almost 2,500 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 – CASH ACCEPTANCE



LINK conducts regular research into consumers' use of cash and the latest survey shows that of the 54% who had been somewhere recently which didn't accept or discouraged:

- 44% found it inconvenient to some degree,
- 54% weren't inconvenienced at all.



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, 105 lost free-to-use ATMs have been targeted for replacement and resolved, 48 through Direct Commissioning, 19 through Premiums and the remaining 38 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.

April 2023		Monthly change
Total Protected ATMs	3,374	9
Live ATMs	2,906	-2
ATMs No Longer Transacting	468	11
Temporarily out of action	25	8
Investigations with operator underway	6	-5
ATMs Confirmed as Closed	437	8
ATMs not being replaced (a)	367	6
ATMs Targeted for Replacement	70	2
LINK directly commissioning a replacement	19	-
Resolution not Possible (b)	51	2
ATMs previously targeted for replacement and now resolved (c)	105	1



The latest Footprint Report can 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.
