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# LINK MONTHLY REPORT

June 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 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 is working closely with its infrastructure provider and Network Members, all of whom continue to perform well.

The LINK Board met at LINK's offices in Harrogate in early July. The Chair, Sir Mark Boleat, noted that the new *Financial Services and Markets Act* was a major milestone for protecting consumers, and that the whole Board is looking forward to the forthcoming Policy Statement. The Board carefully considered the report on the work of the Co-ordinating Body, and was pleased to see that activity continues to progress to plan, with LINK having assessed the impact of 947 branch closures on communities, identifying 251 communities without a branch and recommending 61 banking hubs and 56 deposit services.

The Board also carefully reviewed the Operational Report and noted that operational performance of LINK's critical suppliers remains stable and satisfactory. As always, the Board also reviewed the Risk Report and Finance Reports and concluded that the position is satisfactory.

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.

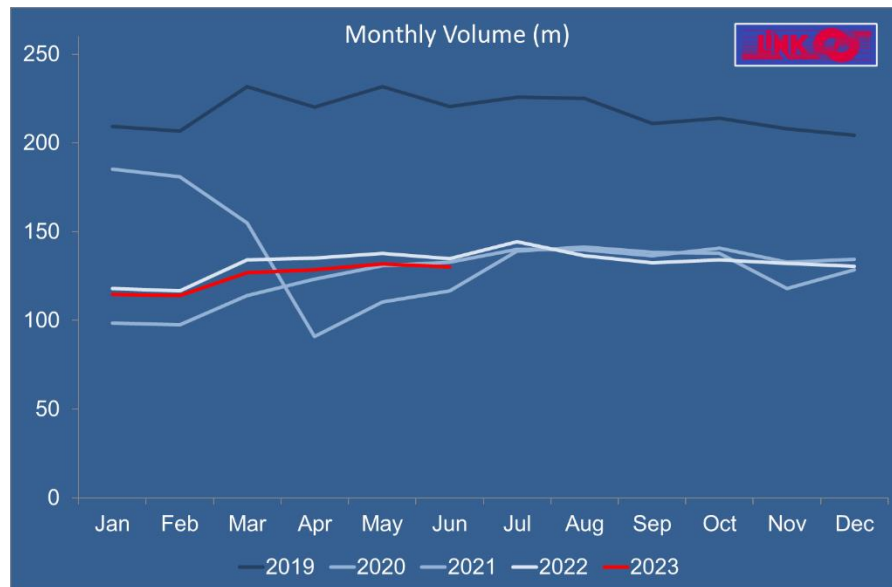
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## 3. LINK VOLUMES AND VALUES

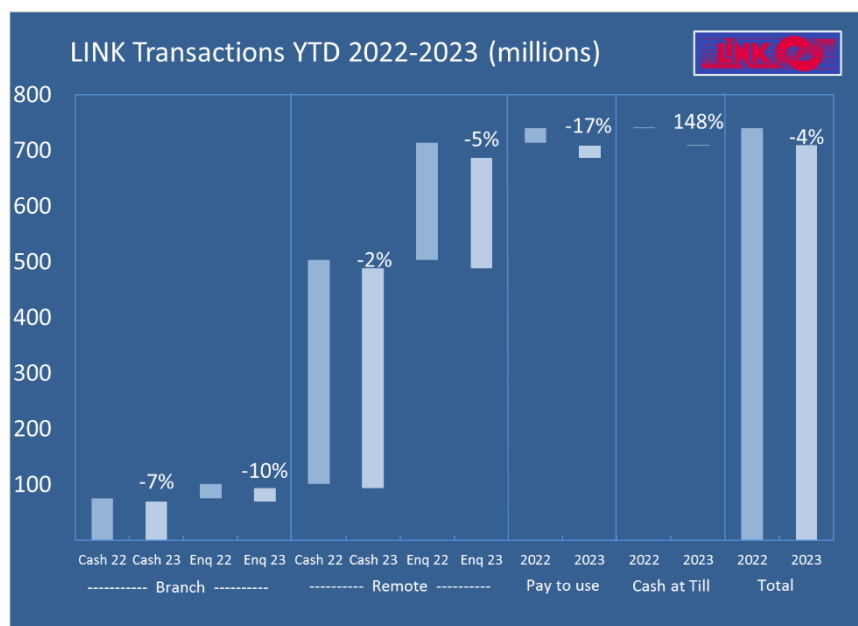
June saw ATM transactions continue to track slightly below last year's at 3.4% down, although the value of cash withdrawn increased by 1.4% on June 2022, at just over £7 billion. For 2023 to end June, transactions, which includes 30% balance enquiries, are down 3.9% while values are down only 0.4%, which 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	130							746



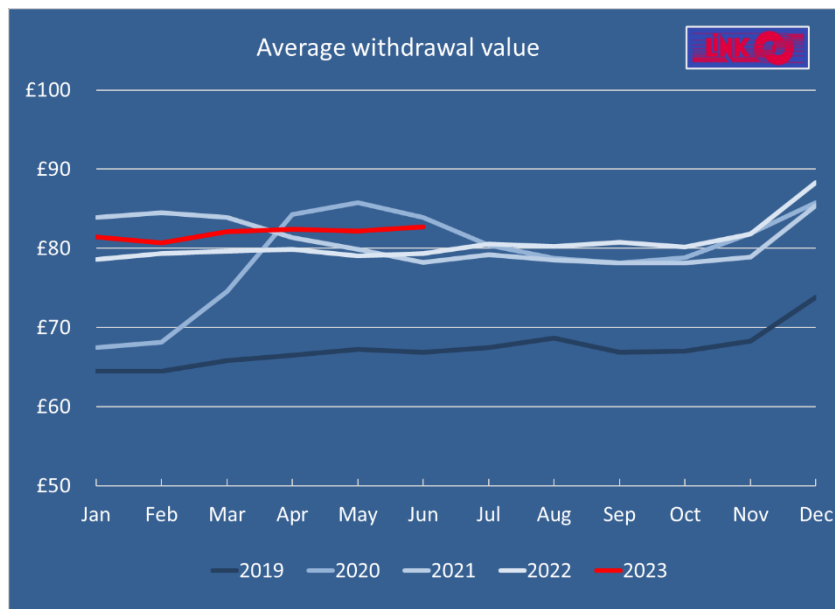
Where the changes to LINK transactions come from is not consistent. Branch and charging ATMs are seeing the largest reduction in use, (as branches close and some pay-to-use locations stop needing or generating enough cash). Free non-branch machines in locations like supermarkets, convenience store and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





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							£39,800

While the number of ATM transactions has been declining, the value of cash withdrawn has remained very similar to last year as the average value withdrawn each time continues to rise and is now almost £83. This suggests consumers' use of cash itself is changing little, even if they are visiting ATMs less often. This is likely to be driven to some degree by inflation, with consumers needing more cash to buy the same basket of goods or a service and any reduction in spending being in purchases they would normally make with a card.



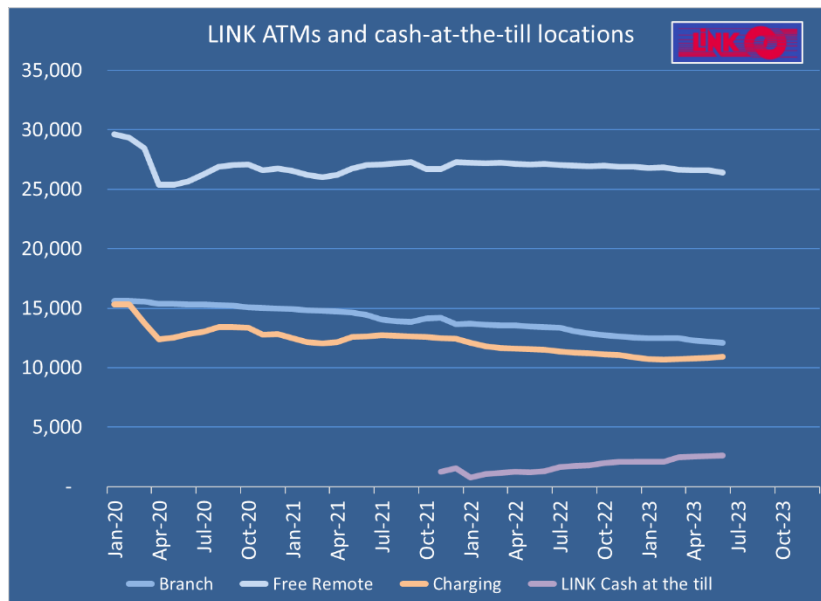
For more information and regular updates on cash and ATMs, see the LINK website [www.link.co.uk](http://www.link.co.uk) or LinkedIn <https://www.linkedin.com/company/2837871/> or Twitter [LINK Scheme@LINK\\_ATM\\_Scheme](https://twitter.com/LINK_ATM_Scheme).

#### 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 under 49,500 ATMs in the UK, of which 38,500 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.

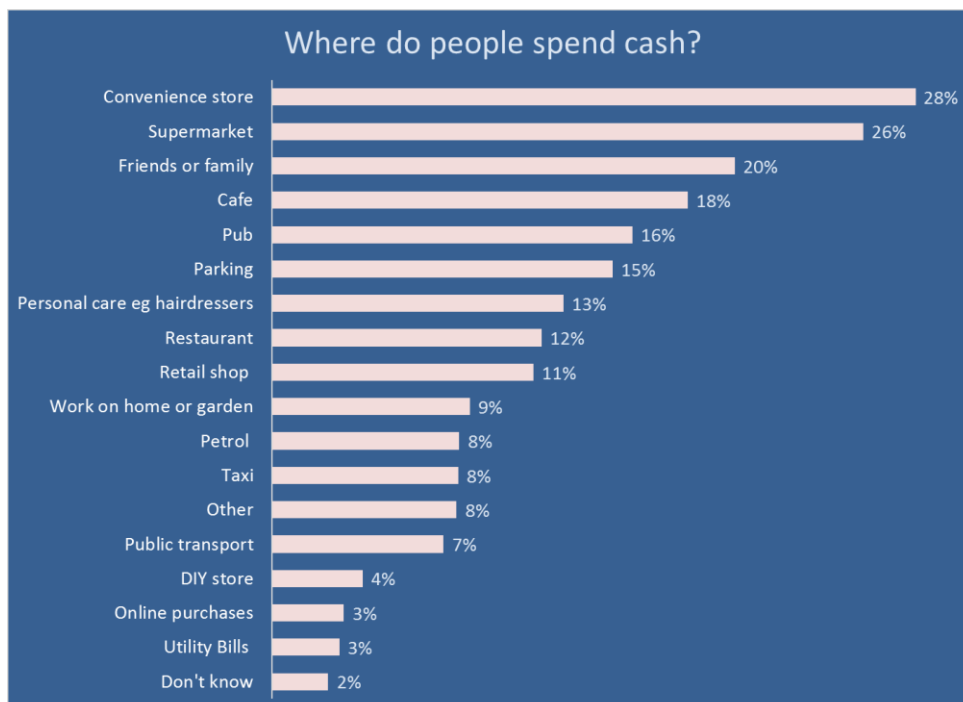


There are now over 2,600 locations offering the LINK cash at the till service and more information on this service can be found on the LINK website <https://www.link.co.uk/consumers/cash-at-the-till/>.



## 5. CONSUMER RESEARCH – WHERE ARE PEOPLE USING CASH?

LINK conducts regular research into consumers' use of cash and the latest survey shows that 73% of people said they had used cash in the past two weeks. The chart below shows the locations. Regular shopping locations like supermarkets and convenience stores are the most popular for cash but people often use cash for paying friends and family.





## 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, 49 through Direct Commissioning, 19 through Premiums and the remaining 40 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 14<sup>th</sup> July the PSR published its first Annual Review of Specific Direction 12 (SD12), designed to make sure LINK 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 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.

May 2023		Monthly change
Total Protected ATMs	3,391	17
Live ATMs	2,917	11
<b>ATMs No Longer Transacting</b>	<b>474</b>	<b>6</b>
Temporarily out of action	17	-8
Investigations with operator underway	13	7



<b>ATMs Confirmed as Closed</b>	<b>444</b>	<b>7</b>
ATMs not being replaced (a)	368	1
<b>ATMs Targeted for Replacement</b>	<b>76</b>	<b>6</b>
LINK directly commissioning a replacement	24	5
<b>Resolution not Possible (b)</b>	<b>52</b>	<b>1</b>
<b>ATMs previously targeted for replacement and now resolved (c)</b>	<b>108</b>	<b>3</b>

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.

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