



March 2022

Dear Constituent,

Thank you for contacting me about access to cash and automated teller machines (ATMs). As a MP for a mainly rural area, I appreciate access to cash remains vital to the day-to-day lives of individuals in local communities.

At present, LINK, the scheme responsible for ATM provision in our country, provides a top-up subsidy for free-to-use ATMs in remote areas - the upper limit on these top-up subsidies rose from 30 pence to £2.75. This is expected to benefit up to 3,500 free-to-use ATMs across the country. I also know that as of September 2019, there were approximately 45,000 free-to-use cash machines across the UK, which represents a 13% increase from a decade ago.

UK Finance launched its Community Access to Cash initiative to help local communities to identify and secure access to cash and payment services. This follows UK Finance's engagement with consumer representatives, local authority representatives and market participants on the cash needs of local communities.

The Economic Secretary to the Treasury met key parties of interest so that communities can engage with UK Finance to ensure that people have access to cash. The Payment Systems Regulator has previously used its power to hold LINK to account over its commitment to communities, ensuring that there is a continued high level of access.

The Financial Conduct Authority has been made ultimately responsible for ensuring the cash system works for consumers and businesses. Following this, in September 2020, the FCA published guidance setting out expectation that firms should consider the impact of branch and ATM closures on their customers' everyday banking needs and consider the availability and provision of alternatives.

I also strongly welcome that the Government legislated through the Financial Services Act 2021 to facilitate the widespread adoption of cashback without a purchase. Further work is ongoing to prepare future legislation designed to protect access to cash and ensuring that the UK's cash infrastructure is sustainable for the long term.

In July 2020, a Joint Authorities Cash Strategy (JACS) Group was established, which brings together representatives of our key financial regulators to provide joined-up and comprehensive oversight of the UK's cash infrastructure. The JACS Group places a particular emphasis on user needs and the changing nature of cash usage.



Chris Heaton-Harris
Member of Parliament for Daventry
House of Commons, London SW1A 0AA
Tel: 020 7219 7048

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Chris'.

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY