



Consultation Response

Call for views: First review of Specific Direction 12 (LINK)

Payment Systems Regulator (PSR)

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About this consultation

The Payment Systems Regulator (PSR) is conducting a review of their Specific Direction 12 (SD12).¹ This Direction is designed to ensure LINK, the UK's cash machine (ATM) network, maintains a broad geographical spread of the UK's free-to-use (FTU) cash machine network and meets service-user needs. The PSR want views on four areas focused on the operation of SD12.

Key points and recommendations

Cash and local banking services are crucial community access points for many older people, ensuring they can conduct their day-to-day transactions.

For many older people, being cut off from cash is tantamount to being excluded from society, so maintaining free-to-use ATM access is imperative.

Although there will be legislation through the Financial Services and Markets Bill (FSMB) to protect access to cash, it is essential for the PSR to continue to protect older consumers' access to Free-to-Use ATMs until there is further clarity from the Treasury SD12 remains the best way of achieving this.

We would like to see a broader strategic and coordinated approach towards public awareness of access to cash in the UK, including the ongoing innovation in free access to cash from sources that are not ATMs, such as cashback without purchase.

About Age UK

Age UK is a national charity that works with a network of partners, including Age Scotland, Age Cymru, Age NI and local Age UKs across England, to help everyone make the most of later life, whatever their circumstances. In the UK, the Charity helps more than seven million older people each year by providing advice and support. It also researches and campaigns on the issues that matter most to older people. Its work focuses on ensuring that older people: have enough money; enjoy life and feel well; receive high-quality health and care; are comfortable, safe, and secure at home; and feel valued and able to participate.

Age UK believes that SD12 has helped maintain access to cash by ensuring a coherent set of policies and measures are in place to support LINK's commitment to maintaining a broad geographical spread of FTU ATMs. It has also enhanced transparency enabling the regulator to monitor whether LINK is meeting its commitments.

The latest research from the Financial Conduct Authority (FCA) suggests that five million consumers rely on cash to make most of their purchases.⁶ One in seven (around 750,000

cash points to facilitate involvement in everyday life for older people who may face barriers.

3. Has the monitoring required under Section 8 of SD12 led to sufficient transparency, is any of it superfluous, or are any further aspects required for monitoring?

Section 8 of SD12¹¹ requires that LINK monitor and report to the PSR monthly on changes to the Protected and Lost ATMs. Although LINK has previously said that the monitoring requirements of SD12 place a significant administrative burden on them, we support the PSR's requirements for LINK to continue to be transparent.

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