

# Scottish Affairs Committee

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## From the Chair, Pete Wishart MP

Sir. Mark Boleat

Chairman

Link Scheme Ltd.

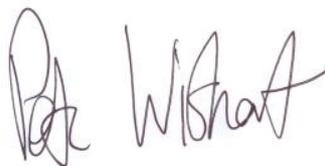
20 June 2018

Dear Sir. Boleat,

The Scottish Affairs Select Committee recently held an inquiry into Scotland's ATM network which included the collection of written evidence and a one-off session to collect oral evidence, to which LINK's CEO Mr. John Howells gave evidence. The Committee would like to thank Mr. Howells for this contribution.

During the session the Committee were told that the changes could substantially reduce the number of free to use ATMs in Scotland which would have a negative impact on rural communities, small businesses, and the many members of the public who rely on cash as their primary or only payment method. We appreciate the assurance that Mr. Howells made during this session, particularly that LINK would get "whatever money was needed" from the banks to protect Scotland's free-to-use ATM network. However, given the concerns that were raised during the inquiry, the Committee would be grateful if LINK could provide a response to some further questions:

1. A common concern raised throughout the evidence session about LINK's announced changes to interchange rates across its network was that the planned reductions in interchange fees represent a shift from an established method of determining the interchange rate, to arbitrary cuts. Could you set out how LINK reached 20p as the intended rate after 4 years of reductions and on what information this was based on?
2. Mr Howell stated that "certain categories" of ATMs would be protected "whatever the financial cost". The Committee would like clarification on exactly what these categories are and the requirements that an ATM would have to meet to fall into them.
3. Mr Howell acknowledged that "it is patently in the interests of consumers" for LINK to work in partnership with the Post Office and that achieving this is an ongoing process. The Committee ask that LINK provide it an update on how these plans are progressing.
4. LINK's consultation, launched 1 November 2017, was subject to extensive criticism, including for failing to sufficiently engage with the public. Is LINK planning on making any change to the way it conducts future consultations on interchange and related topics?



**Pete Wishart MP**  
Chair, Scottish Affairs Committee