

PAYPOINT COUNTER CASH WITHDRAWALS TOP £1M PER WEEK

Almost a third of withdrawals are for amounts not available from traditional cash machines

29 November 2022, Welwyn Garden City: PayPoint has today revealed that withdrawals from its Counter Cash service in convenience stores across the country are now topping more than £1m per week.

The free-to-use, cashback-without-purchase facility launched last year and is available at 4,800 PayPoint stores in different parts of the UK. These locations, prioritised in communities that have below-average free access to cash, have provided over £28 million in cash withdrawals in the last 12 months.

Uniquely, the Counter Cash service allows people to withdraw any amount between 1p and £50 – meaning that if anyone needs to access a very specific amount in their bank account, they can do so. PayPoint data reveals that almost a third (29%) of withdrawals are for amounts you can't withdraw from a traditional ATM (multiples of £5, £10 or £20) – showing that hard-up consumers are making every penny count as the cost-of-living crisis worsens. Over a third (36%) of withdrawals are for amounts under £10.

There has been a steady increase in total withdrawal values month on month (based on first fortnight of each month). September 05-18 was up +3% on August; October 03-16 +8% on September; November 07-20 +16% on October. Over the week commencing 14th November, 19% of withdrawals were non ATM denominations to the penny (e.g. £4.28, £17.56 etc.); 29% were non-multiples of £5, rounded to a pound or to a penny (e.g. £7.00, £32.46 etc.) and 14% were for £9.99 or less.

In the first two weeks of November withdrawals of £9.99 or less were up 15%, compared to the first two weeks in October. They were up 28% and 54% compared to the first two weeks of September and August respectively.

Alex Kemp, Head of ATM & Cash Solutions at PayPoint, said: “Counter Cash is now the largest at-scale access-to-cash initiative in the UK and our retailer partners are doing a fantastic job providing this vital service to cash-strapped consumers across the UK.

“Through the cost-of-living crisis, we're now seeing what a valuable service Counter Cash is for the communities that use it. The data shows that, potentially, up to a third of people can't even afford to withdraw standard amounts like £5 and £10 from traditional ATMs. What's clear is that as taxes and costs rise, people are having to watch and control their outgoings more tightly, and often need to budget down to the last penny. Counter Cash allows them to do that in ways that traditional cash machines don't.

“Withdrawals of £9.99 or less are rising at a significant rate, up 15% for the first two weeks of November versus the same period in October and up 54% versus August. We're also seeing accelerating growth of total withdrawal values. The first two weeks of September were up 3% on the same period in August, rising to 8% in October and 16% in November month on month.

“This all indicates that people are increasingly relying on taking out smaller denominations of cash at more regular intervals. It is a trend often seen among those who are having to manage their finances and spending very carefully.”