



BANK OF ENGLAND

Press Office

Threadneedle Street

London EC2R 8AH

T 020 7601 4411

F 020 7601 5460

press@bankofengland.co.uk

www.bankofengland.co.uk

News release

26 April 2012

Bank of England announces success in its initiative to increase the availability of quality £5s

The Bank of England has today announced an update on its initiative to increase the availability of good quality £5 notes. In March 2010, following a successful pilot with HSBC in 2009, the Bank set major financial institutions and ATM operators a target of ensuring that at least 1.2% of their ATM dispense is in £5s in 2012. Those banks and building societies are collectively now dispensing 1.5% in £5s. Meeting this target is a significant undertaking for the ATM operators, which has included implementing physical and technical changes to ATM machines.

Nearly ten times as many £5s are now dispensed from ATMs than before the roll-outs began in late summer 2010. That's nearly £200million of £5s per month. By March 2012, over 5,000 ATMs were dispensing £5s, with a wide geographical spread, compared to just 670 in 2009; and around 1 in every 8 ATMs operated by banks and building societies dispensed £5s.

The Bank has also worked with the wholesale cash industry and members of the Note Circulation Scheme (NCS) to improve the availability and quality of £5 notes. Specifically, in 2011, the Bank introduced changes to the operation of the NCS which over time should have the effect of increasing the overall flow of £5 notes to the public. These changes should also ensure an increased quality threshold is used when selecting which of the £5 notes received by the NCS members are put back into circulation.

Speaking today, the Governor of the Bank of England, Mervyn King said: "I am delighted that this initiative has been so successful. A key objective for the Bank is to maintain public confidence in the currency, by meeting demand with good-quality genuine banknotes that the public can use with confidence. In my speech at the Mansion House in 2007, I highlighted my concerns about the availability and condition of £5 notes. This initiative has made significant progress in dealing with these concerns, which were also shared by the public. I would therefore like to take this opportunity to thank the ATM operators and those at the Bank of England for their hard work in making this happen."

ENDS

Notes to Editors

1. The most recent news release about this initiative (dated 27/10/10) can be found on the Bank's website: <http://www.bankofengland.co.uk/publications/Pages/news/2010/083.aspx>
2. More information can be found in the following speeches on the Bank's website:
 - Mervyn King, Governor of the Bank of England, June 2007:
<http://www.bankofengland.co.uk/publications/Documents/speeches/2007/speech313.pdf>
 - Victoria Cleland, Head of Notes Division, March 2011:
<http://www.bankofengland.co.uk/publications/Documents/speeches/2011/speech482.pdf>
 - Chris Salmon, Chief Cashier and Executive Director for Banking Services, October 2011:
<http://www.bankofengland.co.uk/publications/Documents/speeches/2011/speech526.pdf>
3. The 1.2% target is by value of notes dispensed from each ATM.
4. In total, around £4 billion of £5s are expected to enter circulation in 2012, compared to just over £2 billion in 2010. These notes enter circulation from a range of sources, not just ATMs, including bank branches.
5. The nearest £5-dispensing ATMs to any postcode can be located online using LINK's ATM locator, by clicking 'Advanced Search' and selecting "Dispenses £5 notes":
www.link.co.uk/ATMLocator/Pages/ATMLocator.aspx
6. The banks and building societies involved in this initiative are:
 - Bank of Ireland ATMs at Post Office[®] locations
 - Barclays
 - The Co-operative Bank
 - HSBC
 - Lloyds Banking Group
 - Nationwide Building Society
 - Royal Bank of Scotland (including ATMs operated on behalf of Tesco Bank)
 - Sainsbury's Bank
 - Santander
 - Yorkshire Bank

In addition a number of independent ATM deployers have started to dispense £5s from ATMs e.g. Bank Machine has set up several hundred £5 only ATMs since 2010.

7. The wholesale distribution & circulation of Bank of England banknotes is managed under the Note Circulation Scheme (NCS) which promotes the processing and distribution of notes by the commercial sector. The members of the Note Circulation Scheme sit between the Bank and the broader cash handling community. The members are Bank of Scotland, G4S, RBS, the Post Office and Vaultex.