
Minutes of a Link Scheme Holdings Ltd (the “Company”) Board Meeting**Held on Thursday 2nd March 2023 at 9:30 am at the LINK Office, (Redacted on Confidential Grounds)****Present:**

Sir Mark Boleat – Chair
Chris Davis
John Gill
Tracey Graham
John Howells
Lord David Hunt
Bill Raynal
David Rigney

Apologies:

None

In Attendance:**LINK Scheme Executive**

Deanne Clifton
Mike Knight (via video conference)
Graham Mott
Adrian Roberts
Tom Sleight
Sue Wallace

LINK Meeting Secretariat

Michelle Maple (minutes)

1. Opening of Meeting

The Chair opened the meeting.

The Bank of England’s LINK Supervisory Team joined the meeting:

(Redacted on Confidential Grounds)

2. The Bank of England’s Priorities for LINK in 2023

The Bank of England’s LINK Supervisory Team joined the meeting to present LINK’s Annual Risk Review Letter

(Redacted on Confidential Grounds)

3. Welcome and Declarations of Interests or Potential or Actual Conflicts

The Chair welcomed Board Directors and members in attendance.

Tracey Graham declared her position as Non-Executive Director of Nationwide Building Society. The Board noted that, with regards to any decisions on Interchange, Tracey Graham should not take part in the associated votes, although her contributions to the debates would be useful and appropriate.

There were no changes to previous declarations already recorded.

The Board noted all declarations and agreed that none currently represented a conflict of interest.

4. Minutes of the Previous Board Meetings and Matters Arising

It was noted that the minutes of the meeting held on 2nd February 2023 had been approved via e-mail, with all actions having been completed or included as an agenda item for this or future meetings. There were no matters arising.

5. Committee and Meeting Updates

The Board noted the approved minutes from the Risk Committee held on 2nd February 2023. The Risk Committee Chair reported that:

(Redacted on Confidential Grounds)

6. CEO Report

The Board considered the CEO's Report

(Redacted on Confidential Grounds)

7. Ongoing Oversight of Interchange

(Redacted on Confidential Grounds)

Tracey Graham took part in the discussion but not the decision, in line with previous Board decisions on potential conflicts of interest.

8. Report on the Co-ordinating Body

The Board considered the report on the work of the Co-ordinating Body

(Redacted on Confidential Grounds)

9. (Redacted on Confidential Grounds)

10. Footprint Report

The Board considered the latest ATM Footprint Report, summarising LINK's effectiveness in meeting its commitments to consumers.

11. Stakeholder and Communications Report

The Board reviewed and noted LINK's stakeholder engagement and communication activity.

12. Operational Summary

The Board reviewed the report summarising LINK's overall operational position.

(Redacted on Confidential Grounds)

13. Scheme Governance and Development Summary

The Board considered the report on Scheme Governance and Development

(Redacted on Confidential Grounds)

14. Report on the Performance of Counter Terminal Transactions

The Board considered the report on Counter Terminal transactions, following the first full year of operation, including the findings from the Scheme Executive's monitoring of this service.

(Redacted on Confidential Grounds)

15. (Redacted on Confidential Grounds)

16. Report on the Findings of 2021/22 Member Assurance Review

The Board reviewed and noted the findings of the 2021/2022 Member Assurance review.

Given the exercise concluded in 2022, the Chair suggested that in future any significant issues were highlighted in the CSDO's report in December, prior to the detailed assurance report being issued to the Board in February/March.

17. Risk Report

The Board considered the report on the risk position of LINK (Redacted on Confidential Grounds)

18. 2023 Risk-Focused Board Strategy Event

The update on the Risk-Focused Strategy Event to be held on 27th April 2023 was noted.

19. Finance Report

The Board considered the report on LINK's finances (Redacted on Confidential Grounds)

20. HR Report

The Board considered the HR report (Redacted on Confidential Grounds)

21. The Bank of England's Consultation on a Digital Pound

The Board noted the update on the Bank of England and Treasury's Consultation on a Digital Pound, together with the next possible steps for LINK. It was also noted that this will form part of the discussions at the Strategy Event scheduled for 27th April.

22. Report on Balance Enquiry Transaction Volumes

The latest figures for balance enquiry transaction volumes were reviewed and noted.

23. Annual Review and, if Appropriate, Approval of the Operational Resilience Written the Report

The Board reviewed the Operational Resilience Written Record, noting that this also sets out the Important Business Services and Impact Tolerances.

DECISION: The Operational Resilience Written Record was approved by the Board.

24. Annual Review and, if Appropriate, Approval of the Risk Management Policies

The Board reviewed updated Policies outlining LINK's approach to managing operational risk and business resilience across the three pillars.

DECISION: The Board approved the following Policies:

- Enterprise Risk Management Framework.
- Business Resilience Framework.
- Operational Resilience Framework.
- Business Continuity Framework.

25. Annual Review and, if Appropriate, Approval of the Information Security Management Policies

The Board reviewed the five refreshed and one new Information Security Management Policies.

It was noted that the Scheme Executive would be reviewing the provisions for Directors in all Polices.

DECISION: The Board approved the following Policies:

- Information Security Policy.
- Information Security Incident Management Policy.
- Information Asset Clarification Policy.
- Information Backup Policy.
- Acceptable Use Policy.
- Access Control Policy.

26. Annual Review of the Board and Sub-Committee Minutes Policy

The Board reviewed the amendments to the Board and Sub-Committee Minutes Policy.

DECISION: The Board approved the updated Board and Sub-Committee Minutes Policy.

27. Terms of Reference for the Audit Committee

The Board reviewed the proposed amendments to the Audit Committee Terms of Reference.

DECISION: The Board approved amendments to the Audit Committee Terms of Reference.

28. Consideration for Approval of Changes to the Eligibility Criteria for Participating Network Members

(Redacted on Confidential Grounds)

DECISION: The Board approved Changes to the Eligibility Criteria for Participating Network Members.

29. Noting e-mail Approvals

No e-mail approvals were noted.

30. Any Other Business

The Board discussed the 2023 Board and Sub-Committee Effectiveness review and agreed that, following the externally facilitated evaluation in 2022, an internal evaluation process would take place this year.

31. Next Meeting

The next Board meeting will be held on Thursday 4th May 2023 at 10.30 (Redacted on Confidential Grounds). A short update video call will be held on Thursday 6th April 2023 at 11.00.

32. Regular Directors Only Session

The Scheme Executive, other than the CEO, left the meeting.

(Redacted on Confidential Grounds)

The meeting closed at 12.10. The COO then re-joined Directors to present a report on protected characteristics data, which was noted as satisfactory.