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**Minutes of a Link Scheme Holdings Ltd (the “Company”) Board Meeting  
held on Thursday 4<sup>th</sup> February 2021 by videoconference**

**Present:**

Sir Mark Boleat – Chairman  
John Gill  
Tracey Graham  
John Howells  
Lord David Hunt  
Bill Raynal  
David Rigney  
Liz Richards

**Apologies:**

None

**In Attendance:*****LINK Scheme Executive***

Deanne Clifton  
Mike Knight  
Graham Mott  
Adrian Roberts  
Tom Sleight  
Ian Vernon (*Item 17 only*)  
Sue Wallace

***Bank of England, Financial Market Infrastructure Directorate***

Justin Jacobs – Head of FMI Supervision (*Item 2*)  
Sophie Quarrell – Senior Manager, Payment System Supervision (*Item 2*)  
Alison Kelly – Manager, Payment System Supervision (*Item 2*)

**1. Opening of Meeting**

The Chairman declared that a quorum was present and that the meeting had been duly convened.

**2. The Bank of England’s Annual Priorities for LINK**

*Justin Jacobs, Sophie Quarrell and Alison Kelly joined the meeting.*

(Redacted on Confidential Grounds)

*Justin Jacobs, Sophie Quarrell and Alison Kelly left the meeting.*

**3. Welcome and Conflict of Interest Declarations**

The Chairman welcomed the Directors and those in attendance to the meeting. He highlighted the significant issues affecting LINK which were relevant to the agenda:

(Redacted on Confidential Grounds)

The Chairman reminded the Directors of their obligations under the Companies Act 2006 and the Articles of Association of the Company to declare the nature and extent of their interests (whether direct or indirect) in a situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. As required by section 175 of the Act and the Articles, each Director (as applicable) confirmed and declared the nature and extent of his/her interest (whether direct or indirect) in accordance with section 175 of the Act and the Articles (the Conflicted Directors).

Bill Raynal declared his position as a consultant to Scottish Building Society which has a contractual relationship with a Network Member.

David Rigney declared his position as Non-Executive Director of Principality Building Society which has a contractual relationship with a Network Member.

John Howells informed the Board that he had been appointed as a non-executive director of Medco Registration Solutions. This appointment had been approved by the Remuneration and Nominations Committee and does not represent a conflict.

#### **4. Minutes of the Previous Board Meetings and Matters Arising**

The Chairman stated that the minutes of the meeting held on 10<sup>th</sup> December 2020 had already been approved.

All actions from the previous meetings of the Company have been completed or were on the agenda for this or future meetings.

There were no matters arising.

#### **5. Committee and Meeting Updates**

The approved minutes of the Audit Committee meeting held on 10<sup>th</sup> December 2020 had been included in the Board papers for this meeting. Liz Richards (Chair of the Audit Committee) highlighted the main areas covered at the meeting:

(Redacted on Confidential Grounds)

#### **6. CEO's Report**

The Board noted the contents of the CEO's Report, which summarised the overall position of LINK. The key issues highlighted were:

(Redacted on Confidential Grounds)

#### **7. Roundtable Update**

The Board was updated on the Access to Cash Roundtable (Redacted on Confidential Grounds)

## 8. Approach to LINK's Board Strategy Event

The Board reviewed the background paper which sets out the main issues and data to be considered for the Board strategy event.

(Redacted on Confidential Grounds)

## 9. Footprint Report

The Board noted the Footprint Report, which outlined LINK's effectiveness in meeting its commitments to consumers.

### ***ATM Footprint***

The Board noted that:

- Overall coverage continues to be satisfactory and the various LINK programmes are proving effective. LINK remains reliant on the support of deployers for Direct Commissioning to work and there are signs that prices are beginning to rise.
- The post-Christmas lockdown has once again led to ATMs inside shops, leisure and entertainment venues closing. In many cases these are the same ATMs that closed in the Spring and Winter 2020 lockdowns when, at the peak, 4,000 free-to-use (FTU) and 3,000 pay-to-use (PTU) ATMs were temporarily closed. Of those 7,000 ATMs, 45% are currently open (55% before Christmas).
- In November, there were 43 publicly accessible Protected ATMs that were temporarily closed. LINK is monitoring these closely and receives regular updates from Members. If any of these ATMs permanently close, then LINK will seek to replace them using Direct Commissioning. Given that there are only 55 Protected ATMs that are confirmed to have permanently closed and require replacement (57 in November), ATM coverage continues to be broadly satisfactory. Small numbers of ATMs are continuing to switch between FTU and PTU as operators optimise their ATM fleets to maximise income. In December, nine ATMs converted to PTU and 22 converted to FTU.
- (Redacted on Confidential Grounds)

### ***Direct Commissioning***

(Redacted on Confidential Grounds)

### ***Financial Inclusion Programme ("FIP")***

The Board noted that, of the 2,763 areas under the scope of the Programme, 2,175 have free access to cash through either a Post Office or a FTU ATM, leaving 588 without. If the Post Office was not included within the Programme, then there would have been 1,855 areas with access via a free-to-use ATM and 908 without.

### ***Community Requests for an ATM***

The Board noted that New Community Requests for an ATM have slowed to fewer than ten per month. LINK has visited 250 communities and 48 new FTU ATMs are now live with a further 45 sites in the pipeline for Direct Commissioning.

## 10. Stakeholder and Communications Update

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The Board considered the update on LINK's stakeholder engagement and communication strategy, including latest developments in the IAD marketplace.

(Redacted on Confidential Grounds)

### **11. Operational Summary**

The Board considered the report on the overall operational position of LINK, including the latest Operations Dashboard included in the Board pack,

(Redacted on Confidential Grounds)

### **12. Executive Risk Summary**

The Board considered the overview of key risks contained in the Board paper and the attached Key Risks Report, including the management of these risks and the actions undertaken to mitigate them.

(Redacted on Confidential Grounds)

### **13. Finance Report**

The Board considered the Scheme's Finances.

(Redacted on Confidential Grounds)

### **14. Summary from the 2019/2020 Member Assurance Cycle**

The Board considered the findings of the 2019/2020 Member Assurance Review – Report to Board which was included in the supplementary papers pack for the Board meeting, noting that the review had concluded successfully on schedule on 31<sup>st</sup> October 2020.

(Redacted on Confidential Grounds)

### **15. Update on the Counter Terminal Trial**

The Board was updated on the progress of the LINK Counter Terminal Trial with PayPoint.

(Redacted on Confidential Grounds)

### **16. Update on Historic Usage of Cashback**

The Board noted the paper on historic usage of cashback.

### **17. Update on Consumer Communications and Social Media**

*Ian Vernon joined the meeting.*

Ian Vernon, Head of Commercial Initiatives, made a presentation to the Board on the outcomes and lessons learned from the social media and digital marketing trial and outlined the planned next steps in this area. (Redacted on Confidential Grounds)

*Ian Vernon left the meeting.*

#### **18. Consideration of Proposed Minutes Policy for 2021**

The Board considered the proposed amendments to the LINK Board and Sub-Committee Minutes Policy (v1.1) which was included in the supplementary papers pack for the Board meeting. The Board noted that the updated policy incorporates a small number of changes to reflect the use of the Diligent management tool as shown in the mark-up.

**The Board approved the LINK Board and Sub-Committee Minutes Policy.**

The treatment of draft minutes will be considered for future updates. **ACTION: COO.**

The PSR will be approached again regarding the requirement to publish redacted minutes on the LINK website. **ACTION: CRO.**

#### **19. Noting of any e-mail Approvals**

The Board noted the following approval which had previously been given by e-mail:

(Redacted on Confidential Grounds)

#### **20. Any Other Business**

There was no other business for the meeting.

#### **21. Next Meeting**

The next meeting will be held on Friday 5<sup>th</sup> March 2021 at 10.30 am by videoconference.