

The Payment Systems Regulator Ltd

Minutes

Meeting: PSR Board
Time & date of Meeting: 12 July 2018
Venue: 12 Endeavour Square, Stratford, London E20 1JN

Present: Carole Begent
Amelia Fletcher
Noel Gordon
Hannah Nixon
Charles Randell (Chair)
Simon Ricketts
Christopher Woolard

In attendance: Set out in Annex A

Apologies: None

1 Apologies, quorum and declarations of interest

- 1.1 The meeting was noted to be quorate and proceeded to business.
- 1.2 No interests in the items to be discussed were declared.

2 Minutes of the meeting held on 9 May 2018

- 2.1 Subject to minor amendment to section 6.1.4 the minutes of the Board meeting held on 9 May 2018 were **approved**.

3 Matters Arising

- 3.1 Simon Ricketts reported back from his continued engagement with the FCA's Chief Information Security Officer (CISO) and Chief Information Officer (CIO). He undertook to provide further updates to future meetings regarding the cyber resilience programme.
- 3.2 The progress in respect of matters arising from previous meetings was **noted**.

4 Committee reports

- 4.1 **Audit Committee meeting held on 30 May 2018:** Louise Buckley reported on the key issues relevant to the work of the PSR.
- 4.2 The minutes of the Audit Committee meeting on 30 May 2018 were **noted**.

5 PSR Panel update

- 5.1 The Board welcomed Stephen Locke, PSR Panel (the Panel) Chair to the meeting.
- 5.2 **Annual report:** Mr Locke summarised the key achievements and challenges faced by the Panel during the past year and reiterated the open invitation for Board members to attend Panel meetings.
- 5.3 In **noting** the report the Board identified the following issues for further consideration:
- interests of small businesses
 - maximising engagement with the Panel across both the PSR and FCA (as appropriate).
- 5.4 The Board thanked Mr Locke for his chairmanship and the work of the Panel which was highly valued by the Board and the wider PSR.
- 5.5 **Membership update:** the Board **approved** the following:
- appointment of Mark O’Keefe and Matthew Hunt to the Panel from 1 July 2018 for a term of three years ending 30 June 2021
 - re-appointment of David Brook for a second term of three years from 1 June 2018 for a term of three years ending 31 May 2021.

6 Report from the Managing Director

- 6.1 In **considering** the report the Board **noted** the following updates:
- The PSR continued to monitor and liaise with stakeholders regarding the protection of ATMs. However, to date, the PSR had seen no evidence that protected ATMs were closing.
 - The implications of bank closures on deposit taking were also noted for further consideration.
 - The PSR’s first Parliamentary reception hosted on 4 July 2018 had been well attended with lots of interest expressed in the PSR’s work, particularly around ATMs and APP scams.
 - The PSR continued to liaise with the NPSO to ensure their tendering criteria took sufficient account of operational and competition risk.
 - The Board received a verbal update on the progress of the PSR’s first antitrust investigation under the Competition Act 1998 (CA98), noting that the review of associated documentation continued. A further update would be provided to a future meeting.

7 Stakeholder survey results

- 7.1 In **considering** the report the Board noted that stakeholders continued to be optimistic about the overall direction of travel of the payments industry. And the perception that the PSR was moving from planning to delivery with growing confidence that it will do what it says it will through the achievement of identifiable and co-ordinated actions and objectives.

7.2 In follow-up the Board identified the following issues for further consideration:

- communicating the PSR's vision and strategy to ensure this continued to be understood by stakeholders
- ensuring that the interests of end users are sufficiently understood

8 Employee survey results

8.1 The Board considered the report and discussed the key outcomes. It noted that a number of focus groups had been held to consider the survey. These had been well attended and had concentrated on three key areas:

- strategy and vision
- transparency and collaboration
- development

8.2 More staff sessions and strategy days were planned to further engage staff, and in particular on development of the future strategy and work programme.

8.3 In follow-up the Board encouraged the executive to leverage the boutique size of the PSR to engage staff in the co-production of organisational strategy and culture as well as harnessing staff pride in the work of the organisation.

8.4 The Board also considered that the results from the planned staff engagement events would be useful.

9 Contingent reimbursement model

9.1 Facilitating delivery of the contingent reimbursement model was recognised as a key priority for the PSR.

9.2 In **considering** the report the Board noted the following:

- The areas where the steering group has reached general agreement, and the outstanding issues still being considered
- proportionality and transition considerations regarding the adoption of the code by participants
- the activities and timetable associated with the introduction of confirmation of payee
- the need for timely reimbursement of consumers if they met their requisite level of care, that is not held up by PSP disputes, and the need for a dispute resolution mechanism between banks when assigning culpability.

9.3 The Board supported the work underway to deliver the interim code to the current timetable.

10 Planned wider cards work

10.1 The Board **supported** the planned market review into the supply of card acquiring services in the UK.

11 Contactless mobile payments

11.1 The paper was **noted** without discussion.

12 Papers for noting

12.1 The following papers were **noted**:

- PSR's new Brexit powers to onshore and maintain the IFR Regulatory Technical Standards.
- Update on review of 2015 Directions: noting that a substantive discussion regarding policy recommendations and proposed revisions to the Directions for consultation was scheduled for 17 September 2018.
- ExCo minutes
- Draft agenda for the meeting on 17 September 2018: subject to the addition of any further items discussed during the meeting.
- Forward agenda 2018: subject to the addition of any further items discussed during the meeting.

13 Any other business

13.1 With no further items of business to discuss the meeting **closed**.

Charles Randell

Chair

Annex A: Attendees

Attending all, or substantially all, of the meeting:

Louise Buckley	Head of Department, Communications & Operations and Chief Risk Officer, PSR
Matthew Cherry	Head of Department, Regulatory Strategy & Policy
Simon Pearce	Company Secretary
Ian Runacres	Private Secretary to the Chair
Kim Turner	Executive Assistant to the Managing Director

Attending for the following items:

6	Stephen Locke	PSR Panel Chair
8	Indrani Gardner	Manager, Communications
	Cordelia Hay	BritainThinks
9	Diane Pinto	Manager, Communications & Operations
11	Amanda Butler	Contractor, Legal
	Janet Duggan	Manager, Legal
	Dora Guzeleva	Manager, Policy
12	John Mowat	Manager, Policy
	Robin Rander	Technical Specialist, Policy