

The Payment Systems Regulator Ltd

Minutes

Meeting: PSR Board
Time & date of Meeting: 5 July 2017
Venue: 25 The North Colonnade, Canary Wharf, London E14 5HS

Present: John Griffith-Jones (Chair) Noel Gordon
Carole Begent Hannah Nixon
Amelia Fletcher Simon Ricketts
Bradley Fried Christopher Woolard

Apologies: Andrew Bailey

In attendance: Set out in Annex A

1 Apologies, quorum and declarations of interest

- 1.1 The Meeting noted there was a quorum present and proceeded to business.
- 1.2 Any interests declared by Board members in the matters to be considered at the meeting are noted below.

2 Minutes and Matters Arising

- 2.1 The minutes of the Board meeting held on 17 May 2017 were **approved** as a correct record of the meeting.
- 2.2 The minutes of the Board meeting held on 21 June 2017 were **approved** as a correct record of the meeting.
- 2.3 The Board **noted** the progress in respect of the matters arising from previous meetings, recognising that the vast majority of actions were complete.

3 Board Committee Reports

- 3.1 The Board **noted** the minutes of the Audit Committee meeting held on 8 March 2017.

4 Report from the Managing Director (including highly sensitive information)

- 4.1 The Board received the report and noted the following update:
 - The format of the project risk register would be streamlined with a more strategic focus going forward.
- 4.2 In follow up the Board discussed the following points:
 - The decision not to have the PSR's logo displayed as part of this year's StandOUT campaign¹ had been taken on the basis of cost as the even split between regulators was considered to be disproportionate. The Managing Director confirmed that the PSR would still be taking part.
 - The PSR continued to work closely with the PRA and FCA, where appropriate, regarding access application issues including those associated with Iranian Banks. In the meantime access assessment criteria were considered to be clearly defined and were expected to be further enshrined in PSD2. The PSR's final s.56/57 guidance would be submitted to the Board for approval.

¹ The collective LGBT+ network for the financial public sector.

- The initial consultation on PSR fee options was due to take place in July with a proposed final consultation on the preferred option in the autumn. The Board sought to have sight of the final consultation document prior to publication.

5 PSR/FCA/BoE/PRA MoU Review 2017

5.1 The Board received the report and discussed the following points:

- A productive discussion had taken place between the four regulators who considered the current relationships to be working well, based on constructive challenge and collaboration. A number of examples of effective collaboration were noted, including work on developing proposals for non-bank access to settlement accounts and the PSO consolidation.
- In considering the feedback from stakeholders about the working relationship between regulators it was noted that some stakeholders may have been affected by some regulatory decisions.
- Future feedback from stakeholders could usefully focus on more specific questions e.g. any concerns about regulatory burden, such as through multiple information requests. Conscious of these issues the PSR and FCA regularly consulted regarding the timing of large information requests.

5.2 The Board **agreed** to publish the statement noted in para 28 on a date agreed with the other regulators.

6 Payments Strategy Forum – Discussion on the Draft NPA Blue Print

6.1 The Board was reminded of the conclusions of the Payment Strategy Forum's (the Forum) strategy, including the need for the new payments architecture (NPA). A public consultation on the Forum's work was scheduled to take place between July and September 2017.

6.2 The team presented an overview of the Forum's draft consultation document.

7 Review of operation of the second line of defence (2LOD)

7.1 The Board welcomed the steps to increase the robustness of the 2LOD including plans to recruit two further special advisors and greater engagement with the PSR Panel.

7.2 The Board **endorsed** the approach content it will provide sufficient independent oversight to manage risks effectively and advise the CRO as to minimise 'group think'.

8 Minutes of Executive Committee meetings

8.1 The Board **noted** the PSR Executive Committee minutes.

9 Forward Agenda

9.1 The Board **noted** the forward agenda, subject to discussions at this meeting.

10 Any other business

10.1 The Chair reported that an external Board effectiveness review was planned for the summer to be conducted by Independent Audit. Further details would follow.

10.2 There being no further business, the meeting closed.

John Griffith - Jones

PSR Chairman

Annex A: Attendees

Attending all, or substantially all, of the meeting:

Sarah Day	Assistant Company Secretary
Louise Buckley	Head of Department, Communications and Operations
Simon Pearce	Company Secretary
Paul Smith	Head of Department, Regulatory Strategy and Policy

Attending for the following items:

4	Toby Fenwick	Associate, PSR
5	Dora Guzeleva	Manager, PSR
6	Fod Barnes	Senior Advisor