The Payment Systems Regulator Ltd

Minutes

Meeting:	PSR Board
Time & date of Meeting:	11:00 on 21 January 2026
Venue:	Board Room 2.38| MS Teams
Members present:	Aidene Walsh David Geale Lara Stoimenova Joanna Whittington Jessica Rusu Sheldon Mills
In attendance:	Set out in Annex A
Apologies:	Andrew Buckley

1 Apologies, quorum and declarations of interest

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

1.2 The Board welcomed Ashley Alder to the meeting, in his role as Chair elect.

2 Report from the Chair

2.1 The Chair congratulated the executive on the publication of the consultation paper setting out the proposed directions relating to card payment (scheme and processing) fees (CP25-3) and the High Court decision to uphold the PSR's powers to regulate payment systems, following a legal challenge to its ability to cap cross-border interchange fees.

2.2 The Chair updated the Board on their ongoing engagement with HMT, Pay.UK and VISA.

3 Managing Director's Report to the Board

3.1 The Managing Director and members of the executive team briefed the Board on a number of topical issues including:

a) Progression of the consolidation of the PSR into the FCA:

- Phase one and two (of the transfer of people and functions) has been completed, with no significant disruption to PSR delivery. Phase three is due to take place in or around March 2026;

- The proposed revisions to the PSR's executive governance arrangements, and
- Internal move of the FCA Open Banking and Open Finance team;

b) Completion of the hybrid working and pay reviews along with forthcoming communications;

c) Ongoing policy work relating to:

- Card scheme and processing fees;
- The Independent Review of APP scams remedies;
- The introduction of an annual compliance report in relation to the Card Acquiring Market Review remedies alongside the evaluation of their effectiveness;

d) An update on the pipeline of enforcement cases;

e) Progression of the National Payments Vision.

4 XBIFs Litigation

4.1 The Board noted the High Court's decision to uphold the PSR's powers to regulate payment systems, following a legal challenge to its ability to cap cross-border interchange fees.

4.2 An application to intervene in the umbrella proceedings was also being pursued.

4.3 The Board congratulated and thanked the team for the work to date and asked to be kept apprised of developments.

5 PSR Annual Business Plan & Budget 2026/27

5.1 Following its discussion on 19 November 2025, the Board was briefed on the proposed work plan and associated budget, headcount and reserves requirements for FY26/27.

5.2 A working draft of the published document will be circulated to the Board in February 2026 for comment.

Decision:	The Board **approved** the overarching structure for the Annual Plan publication for the FY 2026/27.

6 Employee Survey Results

6.1 The Board was briefed on the outcomes of the 2025 Employee Engagement Survey results.

6.2 The Board requested that it be updated on actions planned in response to the survey results.

7 Report from the FCA

7.1 Jessica Rusu, the FCA Chief Data, Information and Intelligence Officer and Ashley Alder, FCA Chair, briefed the Board on the business of the FCA relevant to the PSR including:

a) Observations given the current geopolitical and economic climate;

b) Completion of the hybrid working and pay reviews and forthcoming communications;

c) Building colleague capability in Artificial Intelligence (AI) and technology with events planned to showcase the latest initiatives;

d) Ongoing work relating to Motor Finance;

e) Development of the FCA Board agenda to facilitate greater focus on strategic issues, including the way in which the FCA pursues a data-led approach as part of an evolving supervision model and the way in which it is working with firms adopting AI use cases;

8 Committee and Panel reports

8.1 The Board noted the following Committee and Panel reports:

a) RiskCo December 2025

b) AuditCo December 2025

c) PeopleCo January 2026 (verbal update provided by Aidene Walsh)

9 Matters reserved to the Board

<u>PSR Panel Reappointment paper</u>

9.1 The Board considered the reappointment of members of the PSR panel and agreed that these be extended until the consolidation of the PSR into the FCA is complete.

Decision:	**The Board approved the reappointment of David Canavan, Otto Benz, Clare Pearson and Chris Ainsley as members of the PSR Panel.**

<u>Minutes of the last meeting</u>

9.2 The Board approved the minutes of the meeting held on 19 November 2025 subject to minor amendments.

9.3 The Board noted that outstanding comments to 17 September 2025 minutes had been received and that these would be published shortly.

Decision:	**The Board approved the minutes from the Board meeting held on 19 November 2025 subject to minor amendments.**

Written Procedures

9.4 The Board noted the decision taken since the last meeting on Intervention in CAT umbrella proceedings.

Action Log

9.5 The Board reviewed recommendations to close or extend actions agreed at previous meetings.

Decision:	**In relation to the action log, the Board approved the closure and extension of a number of actions.**

Items for noting

9.6 The Board noted the outline agenda for 18 March 2026.

10 AOB

10.1 The Board thanked Aidene Walsh for her contribution to the PSR and leadership as Chair and wished her well for the future.

10.2 The Chair thanked Deb Jones for her contribution to the PSR as Deputy Managing Director and wished her well for the future.

10.3 With no further business to discuss, the Chair closed the meeting.

Aidene Walsh
Chair

The Payment Systems Regulator Ltd

Annex A: Attendees

Attending all, or substantially all, of the meeting:

Ashley Alder	FCA Chair and PSR Chair elect
Alex Olive	General Counsel
Claire Simpson	Head of Policy
Andrew Wigston	Head of Supervision and Compliance Monitoring
Deb Jones	Deputy Managing Director
Katie Ellis	Private Secretary to FCA Chair
Sarah Day	Company Secretary

Attending for the following items:

Item 2 – Report from the Chair	No Attendees
Item 3 – Managing Directors update	No Attendees
Item 4 – XBIFS Litigation – Decision making appeal	Pietro Menis – Senior Manager
Item 5 – PSR Annual Business Plan & Budget 2026/27	Danielle Banaszak – Manager
Item 6 – Employee Survey Results	No attendees
Item 7 – Report from the FCA	No attendees
Item 8 – Committee and Panel reports	No attendees
Item 9– Matters reserved to the Board	No attendees
Item 10 – AOB	No attendees