

# The Payment Systems Regulator Ltd

## Minutes

Meeting: PSR Board  
Time & date of Meeting: 21 September 2022 at 11.00  
Venue: Hybrid meeting Room 2.38

Present: Aidene Walsh (Chair) Chris Hemsley  
David Geale Faith Reynolds  
Tommaso Valletti Simon Ricketts

In attendance: Set out in Annex A

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### 1 Apologies, quorum and declarations of interest

- 1.1 The meeting was noted to be quorate and proceeded to business.
- 1.2 Faith Reynolds declared her directorship with the Current Account Switching Service in relation to the Managing Director's report. The Board agreed that this did not constitute a conflict. No other interests in the items to be discussed were declared.

### 2 Minutes and Action Log

- 2.1 The Board approved the minutes of the Board meeting held on 13 July 2022, subject to minor amendment.
- 2.2 The Board was briefed on the progress made against the actions agreed at previous meetings.

<b>Decision:</b>	<b>The Board approved the minutes of the Board meeting held on 13 July 2022 subject to minor amendment.</b>
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### 3 Managing Director's report

- 3.1 Mr Hemsley briefed the Board on a number of topical issues. Discussion included reference to the following:
  - a) delivery of the New Payments Architecture (NPA)
  - b) the PSR's resourcing challenges, in light of its expanding workload
  - c) the designation of Finality, as a regulated payment system by HMT
  - d) the progression of the Financial Services Bill recognising the passing of Her Majesty Queen Elizabeth II and the appointment of new Ministers.

### 4 FCA Payments Update

- 4.1 Mr Geale briefed the Board on the business of the FCA that was of relevance to the PSR. Discussion included reference to the following:
    - a) the completion of the SPC restructure
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- b) actions put in place following the passing of Her Majesty Queen Elizabeth II
- c) activities related to access to cash, including encouraging firms to explore alternative solutions where branch closures are planned
- d) activities supporting the publication of the latest Consumer Duty paper
- e) activities, in collaboration with the PSR, related to APP scams
- f) activities relating to the progression of the future regulatory framework.

## **5 PSR Engagement Approach**

- 5.1 The Board was briefed on progress since the previous update in May 2022. Discussion included reference to the following:
- a) the priority areas of focus for the next phase of the engagement plan
  - b) the importance of a clear purpose, intended outcomes, messages and success measures for all engagement activities
  - c) the importance of regional engagement activities, in enabling user concerns to be heard, and the development of additional engagement channels with consumer organisations and international regulators
  - d) the development of future engagement reporting to the Board, on a biannual basis.

## **6 Account-to-account (A2A) Programme: Progress update**

- 6.1 The Board was briefed on the PSR's ongoing work to regulate open banking and the issues to be addressed to unlock A2A retail payments.
- 6.2 The Board was supportive of the progress made and discussed the following:
- a) the progress made to date and the priority areas of focus for the next phase of the Programme
  - b) the intended interactions between the Strategic Working Group, Joint Regulatory Oversight Committee, the PSR and FCA in setting the future vision and expectations for firms
  - c) the PSR proactively identifying and agreeing its position in relation to potentially contentious issues, including where its position may differ from that of the FCA
  - d) the importance of clearly understanding the demand for A2A retail payments.

## **7 Board Evaluation**

- 7.1 The Board was briefed on the progress made to address the recommendations identified by last year's externally facilitated Board evaluation and agreed the areas where additional Board input would be useful to progress this work further.
- 7.2 In accordance with the UK Corporate Governance Code, the Board agreed that this year's Board evaluation be a self-evaluation, facilitated by the Senior Independent Director (SID). The Board also considered the potential themes to be covered by the self-evaluation.

## **8 PSR Panel**

### **PSR Panel engagement**

- 8.1 The Board was briefed on the engagement model between the PSR and the PSR Panel.
- 8.2 The Board also received a progress update in relation to the recruitment of new panel members

- 8.3 The Board **agreed** that the PSR Panel re-appointment recommendations be circulated by written procedure.

**PSR Panel Annual Risk Report and Annual Report 2021/22**

- 8.4 The Board welcomed the PSR Panel Chair to the meeting and was briefed on the key risks as discussed by the PSR Panel during the year.
- 8.5 The PSR Panel Annual Report 2021-22 was **noted** by the Board.
- 8.6 The Board thanked the PSR Panel for the contribution.

**9 Committee Reports**

- 9.1 The Board noted the AuditCo Chair's report of the meetings held on 4 July 2022 and 14 July 2022.
- 9.2 The Board was also briefed on the increased frequency of AuditCo meetings and the engagements between Simon Ricketts and the Chief Operating Officer in preparation of and follow up from each AuditCo meeting to ensure that issues relevant to the PSR are effectively represented and progressed.

**10 Items for noting**

- 10.1 The Board **noted**:
- a) the ExCo minutes from 7 June, 5 July & 19 July
  - b) the draft agenda for the PSR Board meeting on 16 November 2022.

**11 AOB**

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

**Aidene Walsh**  
Chair

**Annex A: Attendees\***

**Attending all, or substantially all, of the meeting:**

Carole Begent	General Counsel, Head of Regulatory & Competition Enforcement
Louise Buckley	Chief Operating Officer
Sarah Day	Company Secretary
Kate Fitzgerald	Interim Head of Policy
Natalie Timan	Head of Strategy Analysis and Monitoring
Ian Runacres	Private Secretary to the Chair
Kim Turner	Private Secretary to the Managing Director

**Attending for the following items:**

- 6** Andrew Self                      Senior Manager, Policy  
Toby Parker                      Senior Manager, Communications and Engagement

- 8**      Andrew Self                      Senior Manager, Policy
- 10**     Steven Bisoffi                     Technical Specialist, Strategy  
         Ruth Wandhöfer                PSR Panel Chair

\* Other relevant Associates were also in attendance.