

# The Payment Systems Regulator Ltd

## Minutes

Meeting: PSR Board  
Time & date of Meeting: 09:00 – 15:20 15 September 2021  
Venue: 12 Endeavour Square/MS Teams

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

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 None of the directors present declared any interests in the items to be discussed.

### **2 Managing Director's report**

- 2.1 Mr Hemsley briefed the Board on a number of topical issues, including:
  - a) increases in certain interchange fees for international transactions. The Board noted that Mastercard and Visa had recently increased fees and that further increases were in prospect.
  - b) Developments with the Open Banking Implementation including continuing work with the CMA and discussions with HMT on the PSR's regulatory powers
  - c) Plans for returning to the office and the continuing difficulties experienced in recruitment
  - d) an update on the CA98 case

### **3 FCA Update**

- 3.1 Mr Geale briefed the Board on the business of the FCA that was of relevance to the PSR. Items discussed included:
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- a) continuing work on Access to Cash, including rules and guidance relating to branch closures
  - b) work on APP scams
  - c) the issue of a Dear CEO letter in relation to Strong Customer Authentication.
- 3.2 Mr Randell also briefed the Board on the Government's consultation on the Future Regulatory Framework insofar as it was expected to affect the PSR.

#### **4 Interbank – retail competition and consumer protection**

- 4.1 The Board was briefed on proposals to promote competition in the retail payments space. The lack of competitive constraints that the schemes face, including on international card payment was noted and the executive outlined plans to promote interbank retail payments as a basis for greater competition and consequent benefits to merchants and consumers.
- 4.2 The team outlined the identified enablers of effective competition and the issues that would need to be addressed for them to have effect. A modular approach to the proposed work was described, recognising the need to maintain flexibility and operate with limited resources in the short term.
- 4.3 The Board supported the proposed approach but stressed the need for there to be clear outcomes defined, together with success measures and milestones tracking progress. It was recognised that the work may need significant resources and the Board asked the team to provide a clear plan setting out the resource commitment for its review. The Board also highlighted the need to address consumer protection aspects in the work, while recognising that the PSR's powers to achieve desired outcomes in this respect were constrained.

#### **5 Card-Acquiring Market Review – Approach to Remedies**

- 5.1 The Board was briefed on the progress of the Card Acquiring Market Review and the areas of concern highlighted by the review.

#### **6 PSR Annual Plan & Budget 2022-23**

- 6.1 The Board was briefed on the executive's initial thinking on the work programme for the 2022/23 financial year. The Board noted that the proposed strategy had been published in June 2021 for consultation and initial indications were that responses were broadly supportive of the outcomes and priorities we had proposed.
- 6.2 The Board noted that the proposed work programme would place pressure on resources so challenged the team to understand how they would prioritise. The Board also requested a clear justification for any proposed increase in budget and fees.

#### **7 Pay.UK's delivery of the NPA**

- 7.1 The Board discussed the capability of Pay.UK to deliver the NPA.

**8 Minutes and Action Log**

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| <b>Decision:</b> | The minutes of the Board meeting held on 14 July 2021 were approved. |
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8.1 The progress in respect of the matters arising from previous meetings was noted.

**9 Item for decision**

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| <b>Decision:</b> | The Board agreed to publish the revised IFR Guidance and the proposed Policy Statement  |
| <b>Decision:</b> | The Board agreed to delegate authority to the Project Sponsor to sign-off the revised IFR Guidance and the proposed Policy Statement and to make non-material changes |

**10 Items for noting**

10.1 The following papers were **noted**:

- a) PSR Panel Update - The Board noted the report from the Chair of the PSR Panel.
- b) Minutes of meetings of the Executive Committee that took place on 22 June 2021
- c) Minutes of meetings of the Executive Committee that took place on 6 July 2021
- d) Minutes of meetings of the Executive Committee that took place on 20 July 2021
- e) Minutes of meetings of the Executive Committee that took place on 3 August 2021
- f) Draft agenda for the PSR Board Meeting on 17 November 2021

**11 Any other business**

11.1 There being no further items of business to discuss, the meeting closed.

**Charles Randell**  
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 and Head of Strategy                   |
| Genevieve Marjoribanks | Head of Policy   |
| Natalie Timan          | Head of Strategy, Analysis and Monitoring                      |
| Kim Turner             | Private Secretary to the Managing Director                     |
| Ian Runacres           | Private Secretary to the Chairman                              |
| Simon Pearce           | Company Secretary  |
| Hasina Begum           | Professional Business Support                                  |

### **Attending for the following items:**

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|----------|----------------------|--|
| <b>4</b> | John Mowat           | Manager, Regulatory Policy and Strategy              |
|          | Steven Bisoffi       | Technical Specialist, Regulatory Policy and Strategy |
|          | Andrew Self          | Manager, Regulatory Policy and Strategy              |
|          | Emma Gibson          | Manager, Legal Enforcement and Competition           |
|          | Hilary Plattern      | Manager, Regulatory Policy and Strategy              |
| <b>5</b> | Hilary Plattern      | Manager, Regulatory Policy and Strategy              |
| <b>6</b> | Anita Kelly-Metelewa | Manager, HR and Operations                           |
|          | Benjamin Woodside    | Manager, Regulatory Policy and Strategy              |
| <b>7</b> | Janet Duggan         | Manager, Legal Enforcement and Competition           |

Other relevant associates were also in attendance.