

# The Payment Systems Regulator Ltd

## Minutes

Meeting:	PSR Board	
Time & date of Meeting:	18 March 2020	
Venue:	Teleconference	
Present:	Charles Randell (Chair)	Chris Hemsley
	Simon Ricketts	David Geale
	Amelia Fletcher	Christopher Woolard
	Noel Gordon	
In attendance:	Set out in Annex A	

### 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.
- 1.3 The Chair welcomed David Geale to his first meeting.

### 2 Minutes of the meeting held on 22 January 2020

- 2.1 The minutes of the Board meeting held on 22 January were **approved**.

### 3 Matters Arising

- 3.1 The progress in respect of the matters arising from previous meetings was **noted**.

### 4 Managing Director's report

- 4.1 The Board was briefed on a number of topical issues. In relation to Authorised Push Payment (APP) Scams. Mr Hemsley reported on positive meetings with the Treasury, Pay.UK and some of the major banks. He also commented on the public position of UK Finance, while noting that significant alignment had been achieved.
- 4.2 It was noted that progress was being made with Confirmation of Payee (CoP) and many of the directed banks were in the implementation phase. In general banks had been making reasonable progress against a tight timetable but the actions they were having to take in respect of Covid-19 were having an impact. It was noted that the FCA had given banks additional time on matters it regulates and the PSR was acting accordingly. A letter had been sent to each of the six directed banks to explain the PSR's approach, which aimed to ensure that customers were in no worse position than if CoP had been implemented.

## PSR Controlled Distribution

- 4.3 The Board noted the announcement in the recent Budget regarding Access to Cash. The Board was briefed on work being undertaken by the PSR, in collaboration with the FCA.
- 4.4 The Board was briefed on the progress by Pay.UK in its procurement process and noted that a range of views had been expressed by stakeholders on its scope.

## 5 Covid-19 impact assessment

- 5.1 The Board was briefed on the initial estimated impact of the Covid-19 virus on payment systems. Mr Geale outlined to the Board the work that the FCA was undertaking to supervise the steps being taken by the larger banks to implement their business continuity plans.
- 5.2 The Board noted the work being done to ensure continued access to cash, including liaison with UK Finance, and noted actions being taken by banks, particularly in respect of debit and credit cards.
- 5.3 It was noted that many smaller payments firms have fewer problems as they do not have a branch network and their staff are used to working from home. Nevertheless, it was recognised that some of their business continuity plans may be less mature.
- 5.4 It was noted that under the Authorities Response Framework, the relevant authorities were meeting daily. The Board noted the risk inherent in increased reliance on communications networks.
- 5.5 The Board was also briefed on actions being taken within the PSR in an environment where staff are working from home. Contingency planning for senior staff illness was outlined as were the internal communications and activities aimed at maintaining morale.
- 5.6 The Board reviewed the current PSR workplan and discussed the potential impact on the recent prioritisation exercise. The Board considered the longer-term implications of Covid-19 for future payment system needs.

## 6 PSR Annual Plan

- 6.1 The Board noted that the PSR was close to the point at which it had intended to publish its Annual Plan and Budget for 2020-21. The Board was conscious that that Plan had been prepared before the potential impact of Covid-19 had become apparent. The Board therefore considered whether to publish the Plan substantially in its current form with a covering narrative of its initial assessment of the impact of Covid-19 or to delay publication to enable a more substantial revision to the Plan.
- 6.2 The Board **agreed** to publish the Annual Plan and Budget on 31 March 2020 in substantially its existing form, with appropriate explanation of the impact of Covid-19 on prioritisation.
- 6.3 The Board delegated to the Chair and Chief Executive approval of final edits prior to publication.

## 7 Revision of the Powers and Procedures Guidance

## **PSR Controlled Distribution**

- 7.1 The Board noted that it was proposed to publish a revised version of the PSR's Powers and Procedures Guidance (PPG). This followed a public consultation that was open for three months and closed on 31 October 2019. The Board was reminded of the reasons why it was felt necessary to revise the guidance and was briefed on the outcome of the consultation.
- 7.2 The Board **approved** the publication of the PSR's final, revised version of the PPG and Chapter 7 of the IFR guidance, pursuant to paragraph 5(4) of Schedule 4 of FSBRA.
- 7.3 The Board **agreed** to delegate authority for the making of any final, inconsequential amendments to the guidance, and the approval of the consultation response document to be published alongside it, to the Head of Regulatory and Competition Enforcement.

## **8 Decisions requested of the Board:**

- 8.1 The Board **approved** the reappointment of Flora Hamilton to the PSR Panel for a second term of three years from 31 March 2020 to 31 March 2023.

## **9 Items for noting**

- 9.1 The following papers were **noted**:
- a) Minutes of meetings of the Executive Committee
  - b) Draft agenda for the meeting of the Board on 13 May 2020. The Board noted that it may be necessary to hold Board meetings more frequently in the current circumstances.

## **10 Other business**

- 10.1 The Chair reminded the Board that this was the last meeting to be attended by Amelia Fletcher as her term of office would come to an end on 31 March 2020. The Chair placed on record the warm appreciation of the Board for all that Ms Fletcher had done for the PSR.
- 10.2 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:**

Carole Begent	General Counsel & Head of Regulatory & Competition Enforcement
Louise Buckley	Chief Operating Officer and Head of Strategy
Genevieve Marjoribanks	Head of Regulatory Policy
Allyson Milano	Assistant Company Secretary
Simon Pearce	Company Secretary
Kim Turner	Executive Assistant to the Managing Director
Ian Runacres	Private Secretary to the Chairman