

## **Meeting Summary**

### **14<sup>th</sup> Payment System Operator Delivery Group meeting**

**17th May 2017**

**Thomas More Square**

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Present: Robert Stansbury (Chair); David Rigney; Nick Caplan; Jane Bevis; Becky Clements; Russell Saunders; Faith Reynolds

Apologies: None

Observers: Justin Jacobs; Dora Guzeleva

Minute taker: Sam Cope

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#### **Feedback on Delivery Group's Final Report**

The Group discussed the feedback they received on the final report. Members noted that PSPs (banks) were broadly positive about the report, and there needed to be ongoing engagement with them going forwards.

The Group also noted that they, and the board of the NPSO once established, should consider what activities the NPSO should take on and/or be aligned with, for example the Open Banking work.

#### **Update from the three PSOs and the observers**

The Chairs of the three PSOs updated the Group on their respective Boards' discussions of the proposals. In general the Boards' focus needed to remain on running the systems, and there were some concerns about the timetable for consolidation because it was felt a lot was happening at the end of the year. The Boards agreed that they would vote on the proposals. Another common theme was that secondments to the NPSO were seen in principle as a good idea.

The Observers stressed that the PSR Board was supportive of the consolidation on the basis of the competitive benefits that could be delivered through the NPSO taking forward the delivery of the New Payments Architecture, and the Bank would be looking to the PSO boards to explain how they would assess the readiness of the NPSO to take over operational responsibility of the schemes. There should be no distraction from delivery of core services and smooth transition to the NPSO and then the NPA.

#### **Funding of the NPSO**

The Group discussed if there were any further PSPs they should invite funding from. It was confirmed that the Group had already received some positive responses for funding commitments. UKPA would be issuing an invoice to those who had agreed to provide funding. The Group agreed that the funders should

consider the funding instrument; the Bank of England would need to review the instrument when it is decided in order to understand the risks of the NPSO holding debt.

### **The CMA process**

The Group were updated on the ongoing CMA process. The CMA has asked the PSOs to provide responses to a set of questions.

### **The Implementation Group (IG)**

The Group discussed the terms of reference for the IG. The Group focused on the roles of the IG and the DG, and how the IG's work would be communicated to the DG. There needed to be clarity that the DG would retain a coordination role until the NPSO board is in place to direct the IG.

The Group discussed the practicalities of setting up the NPSO. It was agreed that a set of draft Articles of Association should be developed, based on model Articles.

### **AOB**

The Group discussed a range of matters, including:

Coordination with the Payments Strategy Forum. It was noted that timings for handing over responsibility to the NPSO would be different for different aspects of the Forum's work.

The potential for creation of KPIs for the NPSO. It was agreed that this should be raised again once the IG Programme Director started to attend the DG.

The composition of the IG, and whether it should involve the UKPA design and delivery team. It was agreed that it was for the IG to determine its own composition, which might need to change as the programme advanced.

Whether the Payments Strategy Forum is still happy for RS, BC, and FR to represent it on the DG. An action was agreed to check with the Forum on this issue.

The date for the next meeting is 30<sup>th</sup> May.