

The Payment Systems Regulator Ltd

Minutes

| | | |
|------------------|--|-----------------------------|
| Meeting: | PSR Board | |
| Date of Meeting: | 22 June 2016 | |
| Venue: | 25 The North Colonnade, Canary Wharf, London E14 5HS | |
| Present: | Carole Begent | John Griffith-Jones (Chair) |
| | Amelia Fletcher | Hannah Nixon |
| | Bradley Fried | Christopher Woolard |
| | Noel Gordon | |
| In attendance: | Set out in Annex A | |

Quorum and Conflicts

The Meeting noted there was a quorum present and proceeded to business.

1 Specific items of business

1.1 Approval of final Accounts and Report and Reserve Policy

The Board noted the changes to the Report and Accounts since it was last considered, notably the transactions with the FCA presented in financial statements and the additional wording in the Chairman's foreword and the financial statements should the outcome of the referendum be that the United Kingdom leave the EU.

The Board noted the proposed reserve figure of £1m and queried whether returning £5m of the £6m reserves in 2016/17 was appropriately disclosed as a non-adjusting post balance sheet event in the notes to the financial statements. This matter would be discussed with the National Audit Office (NAO).

The Board delegated authority to the Chair to approve minor changes to his foreword. Subject to these changes and discussion with the NAO, the Board approved the final PSR Annual Report and Accounts for signing by the Chair, Managing Director and the Company Secretary.

The Board considered and approved the reserve policy.

1.2 PSR regulatory fees 2016/17

The Board considered the paper and approved the final approach to funding the PSR for the year 2016/17, for recommendation to the FCA Board to make the necessary fees rules.

The Board also approved the proposed handling of the IFR card systems transaction volumes and delegated to the PSR Managing Director, or her delegate, to sign off the final PSR Fees 2016/17 Policy Statement.

The Board noted the position on handling the 2015/16 underspend. It also noted the approach to late fee payments, which would be handled in accordance with the fees rules.

1.3 PSR Governance

The Board received the paper which highlighted the outcome of discussions between Andrew Bailey and Hannah Nixon in relation to governance of the PSR. The Board noted Counsel's position. The Board also noted that matters relating to the exchange of confidential data and the operation of the SLA, in both cases between the FCA and the PSR, were being considered by both Executives.

The Board approved the agreed set of arrangements between Andrew Bailey and Hannah Nixon and noted the recommendation to the FCA Board the appointment of Andrew Bailey to the PSR Board, with effect from 1 July 2016, for a term of three years.

2 Papers for noting

2.1 Infrastructure Market Review

The Board noted the summary of draft final findings of the Infrastructure Market Review and the main challenges received from stakeholders as well as the key elements of the draft final reasoning.

The Board noted that the final report would be presented at its July meeting.

3 Any Other Business

There was none.

Assistant Company Secretary

Annex A: Attendees

| | |
|-----------------|--|
| Andrew Bailey | CEO, PRA and CEO-elect, FCA (item 1.3) |
| Louise Buckley | Head of Department, Communications and Operations |
| Dora Guzeleva | Manager, PSR (items 1.2) |
| Paul Smith | Head of Department, Regulatory Strategy and Policy |
| John Spicer | Manager (item 2.1) |
| Claire Strong | Deputy Company Secretary |
| Grahame Tinsley | Manager, PSR (items 1.1) |

Relevant technical specialists and associates also attended the meeting