

# Minutes

## REDACTED FINAL



21 October 2016

Our Reference FB 096/16

To Board

From Acting Secretary

### MINUTES OF THE MEETING OF THE FPSL DIRECTORS HELD ON 21 OCTOBER 2016

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<b>Present:</b>	Nick Caplan	Independent Chairman* (FPSL) (NC) (Present)
	Tanya Castell	Independent Director* (FPSL) (TC) (Teleconference)
	Duncan Ingram	Independent Director* (FPSL) (DI) (Teleconference)
	Craig Tillotson	Chief Executive* (FPSL) (CT) (Present)
	Paul Scott	Director* (nominated by Barclays) (PS) (Teleconference)
	Jim Pettigrew	Director* (nominated by Clydesdale) (JP) (Teleconference)
	Mark Curran	Director* (nominated by Lloyds) (MC) (Teleconference)
	John Hutton	Director* (nominated by Nationwide) (JH) (Teleconference)
	Martin Wilson	Director* (nominated by Royal Bank of Scotland) (MW) (Teleconf)
	Robert White	Director* (nominated by Santander) (RW) (Teleconference)
	FB	Attendee (FPSL) (FB) (Present)
	JJ	Attendee (FPSL) (JJe) (Present)
	SG	Attendee (FPSL) (SG) (Present)
	GO	Attendee (FPSL) (GO) (Present)
	SG	Acting Secretary (FPSL) (Present)
<b>Apologies:</b>	Melanie Martin	Director* (nominated by Citi) (MM)
	Tony Richter	Director* (nominated by HSBC) (TR)
	Helen White	Director* (nominated by Northern) (HW)
	Mike Smith	Director* (nominated by Raphaels) (MS)
	Andrew Grice	Observer (Bank of England) (AG)
	Becky Clements	Observer (Metro) (BC)

**\* Voting members of the Board of Directors - 10 out of 14 in attendance**

### 310. BANK OF ENGLAND PRIORITIES

ACTION

JJ **NOTED** the priorities received by the Bank of England (FB085/16). On the back of this a tracking document has been set up to follow the Priorities timelines. FPSL must confirm acceptance of the Priorities by the 31 October and confirm the delivery date as proposed by the Bank of England.

*Secretaries Note: This has been done.*

JJ spoke to Bank of England Risk Review – Priority Tracker (FB086/16).

- **P16 – 01: Resource Planning** – The Resource Plan will be completed by 31<sup>st</sup> December.

Internal Audit resources required to undertake the review and analysis of this plan has been booked for Q1. The scope of the internal audit review will be agreed in advance with the Bank supervision. *[Redacted for Financial Stability Reasons]*

- **P16 – 05: Governance Review** – NC advised Board that for the purpose of this Priority that the scheme needs to respond to the Bank of England governance review on the basis of FPSL. There is however a reasonable view that consolidation will happen and therefore any governance changes would be brought into the new company. Board agreed therefore with the Bank's proposal that FPSL will respond by end of Q2 2017 to its final rules.

**All on the call were in agreement that they are content with the Priorities set by the BoE and the strategy in place to get them delivered.**

### 311. PKI UPDATE

GO **DELIVERED** an update on the PKI.

The project is proceeding technically and the cards have been received. We continue to work with *[Redacted for commercially sensitive reasons]* to resolve legal issues and agree a contract. There is a call scheduled for Monday to discuss this further.

The signoff for this contract will go through the Risk Committee followed by Audit & Finance Committee and finally Board.

NC advised that in the last Board meeting MC raised a number of queries in regards to liabilities. FB advised that the FPSL team are comfortable that these will all get resolved, but timelines are difficult to predict.

**312. SERVICE USER ENGAGEMENT STRATEGY**

CT **DELIVERED** an update of the Service User Engagement Strategy (FB087/16). At the September Board, Version 4 was discussed. Since then Virginie Bauthier has received feedback from Directors and Version 5 has been produced. Board were asked if there were any further comments on this strategy.

TC advised that the document talks about items being under construction, but a plan needs to be put in place to track the timings on this.

**Board agreed they were happy to APPROVE the document with the addition of a plan to track timelines.**

**313. LICENCE TO OCCUPY / UKPA SERVICE CONTRACT**

JJ **DELIVERED** an update. Discussions are ongoing, but it is taking time. There are a number of clients involved that are providing their feedback and it is hoped that this will conclude to the final version of these documents shortly although he could not give a definitive answer to when it will be completed.

FB is confident that this will be completed by the end of 2016.

TC asked whether the team discussing this are aware that there is an audit action to complete this work.

NC advised that the finalised contract should be considered by the Audit & Finance Committee. NC asked the Board members whether they would be comfortable with handing over delegation authority to the A&FC on this issue.

**The Board agreed to delegate this agreement to FPSL Audit and Finance Committee.**

**314. PSO CONSOLIDATION**

NC **DELIVERED** an update on the latest developments of the Consolidation. A Delivery Group has been established by the PSR and BoE. There are seven people in this group made up of the overall chair Robert Stansbury, three chairs of the PSO and three members of the PSF. It was highlighted that Becky Clements is in the Group in a PSF role in addition to NC meaning there are two members of FP in the Group. NC stated he will request a Register of Interest is created for the Delivery Group. NC advised the Delivery Group Independent Chair had held 1-2-1's with the members and the first meeting planned is 1<sup>st</sup> November. NC further advised there are ToRs for the group, but couldn't fully share as they are confidential. NC advised was receiving legal advice around



competition law and suggested that FPSL should do so as well.

In the meeting on 1 November there will be discussions to confirm a work plan, resources, Secretariats and timeframes. There will also be a conversation around communications back into the PSO and externally to the wider banking community.

NC advised he is required as part of the ToR to speak to participants and he requested Board members to assist him in identifying the suitable person from each participant which may or may not be the Board Director.

The names of all individuals to represent each participant should be sent into NC no later than 30 November. **Action FB 314**

**Directors**

NC asked the Board to check the Register of Interest to ensure that the interests registered against their names are correct. If any entries are incorrect please report back to FB.