

## NPSO Limited

### Minutes of the extraordinary call of the Board of Directors, 16<sup>th</sup> May 2018

Directors	NPSO Support
Melanie Johnson (MJ) Independent Chair	Chet Behl (CB) General Counsel
Paul Horlock (PH) CEO	Vanessa Graham (VG) Legal Adviser
Matthew Hunt (MH) COO	Afua Gharban (AG) Secretariat
Rob Stansbury (RST) Senior INED	
Christine Ashton (CA) INED	
Anna Bradley (AB) INED	
Peter Wyman (PW) INED	
Richard Anderson (RA) INED	
Russell Saunders (RSA) NED	
Becky Clements (BC) NED	
<b>Apologies</b>	
Jean-Yves Rotté-Geoffroy (JY) INED	

#### 115. Opening items

MJ opened the meeting and confirmed that the meeting was quorate in accordance with the Articles of Association. Each Director present confirmed that they had no direct or indirect interest in any way in the proposed transactions to be considered at the meeting which they were required by section 177 of the Companies Act 2006 and NPSO's Articles of Association to disclose.

#### 116. Appointment

MJ proposed that the Board consider, and if thought fit, approve the appointment of Tim Fitzpatrick as audit INED with effect from 1<sup>st</sup> June 2018. It was noted that the Bank of England had no objection to the appointment. After due and careful consideration:

**IT WAS RESOLVED THAT** Tim Fitzpatrick is appointed to the Board as audit INED with effect from 1<sup>st</sup> June 2018.

#### 117. BoE priorities letter

PH presented the paper on the Board's response to the BoE letter on 'Transfer of Responsibilities for Bacs and FPS in NPSO'. PH said the BoE letter noted three specific actions for NPSO, which were either in hand or were completed. The letter also stated that NPSO should undertake a 'skilled person' review. It was agreed that preparatory work for the review should start as soon as possible with the review being undertaken following the consolidation of C&CCC. **ACTION: MH**

It was noted that NPSO had been asked to comment on what it had learnt in the process of acquiring Bacs and FPS and to identify any material issues which could impact on future activity. NPSO has identified the following areas on which to focus: Finances, Governance, People Strategy, Setting expectations and Resourcing. It was intended to apply the lessons learnt to the C&CCC transaction.

*[Redacted - commercially sensitive]*

PH agreed to update the paper in accordance with the discussion at the meeting and to include lessons learnt in respect of the areas identified for improvement and how NPSO will be different, in the response to the Bank for circulation to the Board. **ACTION: PH**

MJ said that the response to the BoE on lessons learnt could be finalised after the next Board and that some of the other issues relating to the future activity of NPSO could be addressed in NPSO's response to the BoE annual risk review. **ACTION: PH**

#### **118. Any other business**

There being no further business the Chair closed the meeting.