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Pay. UK Limited

Minutes of a meeting of the Board of Directors held on 8 February 2024

Members		Attendees	
Mark Hoban (MGH)	Pay.UK Chair	Kate Frankish (KF)	Chief Product Development Officer
Helen Crooks (HC)	Independent NED	Carolyn Gibson (CG)	Company Secretary
Michael Ellis (ME)	Chief Finance Officer	David McPhee (DM)	Chief Policy & Engagement Officer
Marc Pettican (MP)	NED	Lisa Mellor (LM)	Chief Risk Officer
David Pitt (DP)	Chief Executive Officer	David Morris (DMO)	Chief Technology Officer
Lesley Titcomb (LT)	Independent NED	Louise Rebuck (LR)	Deputy Company Secretary
Lars Trunin (LTR)	NED		
Peter Wyman (PW)	Independent NED		
Apologies		Externals	
Ajay Vij (AV)	Independent NED		
Anna Bradley (AB)	Senior Independent NED		
Diane Côté (DC)	Independent NED		

**Board members and attendees met using a hybrid meeting model with some attending in person and others joining remotely by video conference*

24/12 Opening Business

Quorum and welcome

24.12.1 The Chair confirmed a quorum was present. The apologies from AB, DC and AV were noted.

Conflicts of Interest

24.12.2 MGH reminded directors that under the CA 2006 and Pay.UK's Articles of Association (the "Articles"), directors were required to declare their interests to the other directors in any proposed transaction or arrangement with Pay.UK. No new interests were declared.

24/13 APP Reimbursement Approach

24.13.1 KF stated that options had been worked through that would enable Pay.UK to meet its APP reimbursement (APPR) obligations as set out in the PSR's Specific Direction 19 (SD19) from the regulatory compliance date of 7 October 2024. A pragmatic approach was recommended that would enable Pay.UK to collect data and information from Payment Service Providers (PSPs) to enable it to monitor compliance with the FPS reimbursement rules and report to the PSR.

24.13.2 [Redacted – Commercially sensitive].

24.13.3 KF referred to the APP scheme delivery timeline in the paper, noting that Pay.UK had received FMID's non-objection on the FPS rule change. FMID had also confirmed it would not need to non-object to Pay.UK's procurement of the case management platform.

24.13.4 [Redacted – Commercially sensitive]

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- 24.13.7 KF stated that the direction on Pay.UK was to collect compliance data from the PSPs and to report it to the PSR. [Redacted – Commercially sensitive]. KF highlighted the need to work with the industry on the migration plan, and to limit the time that different case management tools would be used.
- 24.13.8 Members discussed the challenge of the industry migrating to a single tool for case management, particularly if not mandated to do so. LTR advised that customers would need to be told as early as possible to enable them to assess the work they would need to do.
- 24.13.9 [Redacted – Commercially sensitive]
- 24.13.11 KF reflected on customer engagement and the discussions that had taken place at the Fraud Advisory Group in respect of the different approaches, their challenges and the associated operational implications. Following Board approval the approach would be shared with customers and migration planning discussions would commence.
- 24.13.12 [Redacted – Commercially sensitive]
- 24.13.16 KF advised it was clear to the Fraud Advisory Group members that their organisations would need to make operational changes. Customers had highlighted they wanted the stability of continuing to use BPS and an achievable migration plan they could sign up to.
- 24.13.17 [Redacted – Commercially sensitive]
- 24.13.18 MGH reiterated Pay.UK's obligation to collect compliance data from PSPs that showed whether they were meeting the reimbursement requirements. He highlighted that the PSPs were under obligation to provide that data. [Redacted – Commercially sensitive].

PW left the meeting.

- 24.13.19 The Board discussed the focus needed on the migration plan and that work required with the PSR to seek a backstop date. The Board **approved** the recommended approach, option three.
- 24.13.20 The Board also **approved** the business entering into the contract [Redacted – Commercially sensitive].
- 24.13.21 The Board **approved** the delegation of authority to the CEO to sign the Management Service Agreement (MSA) with [Redacted – Commercially sensitive] once complete.

24/14 Date of next meeting

- 24.14.1 The date of the next meeting was noted.

24/15 Any Other Business

- 24.15.1 As there was no further business the Chair thanked everyone present and closed the meeting.