

Payment Systems Regulator Panel Recruitment Process

This document outlines the intended approach for recruiting members to the PSR Panel. The intended approach is expected to be used on most occasions, but the PSR and the Panel Chair may on occasions adopt a different approach if it considers that is the best way to attract suitable candidates.

Objectives of recruitment strategy

The PSR considers it important to have a recruitment strategy that enables the Chair and secretariat to identify, and propose to the PSR Board, the best available candidates that will maximise the added value of the Panel to the PSR's work.

The intended selection process allows the Panel to have a balance of interests, skills and experience. Candidates will need to be recruited so as to complement existing Panel members and to help the Panel be effective in fulfilling its remit. Whilst Panel members will have a range of backgrounds, and some may be employed by industry participants, they are appointed in an individual capacity, to give the best possible advice. They are not expected, and do not need, to act as representatives of their companies, trade associations or interest groups.

Panel member requirements

To be considered for appointment to the Panel, candidates need to be able to demonstrate the following attributes:

- a. The ability to engage effectively on a broad range of complex policy and technical issues, as well as general issues relevant to the PSR.
- b. An understanding, to at least some degree, of how regulation works, including its constraints and potential.
- c. Comfortable with, and effective in, a Board type environment – reading, analysing and discussing papers from Executive staff.
- d. A clear understanding of the constraints of confidentiality and, on occasion, the handling of sensitive information.
- e. Members from specific corporate backgrounds need to understand the importance of, and be able to participate in meetings as informed individuals rather than as representatives of specific constituencies or organisations.

In addition to these requirements, candidates are expected to understand the general viewpoint of their sector and be able to contribute constructively and fully in Panel discussions towards the development of the PSR's strategic thinking from that perspective.

PSR Panel recruitment policy

Where possible, the PSR Panel recruitment policy, at its core, will support and maximise the ability of the Panel to add significant value to the work of the PSR through the balance and expertise of its members. As discussed further below, if existing members have only served one term, they will be considered for appointment for a second term without an open recruitment process. For new appointments it is important that this process is as objective and transparent as possible, with recognition that for a Panel with mixed sector representation, the requirements and process may differ for each sector.

Under the Act: The PSR will appoint to the Panel such persons representing participants in regulated payment systems and those who use, or are likely to use, services provided by regulated payment systems.

The underlying principle for the intended approach to recruitment is that, wherever appropriate, the process will be open for public competition. This will be done principally via advertisement on the PSR's website, through the Panel's page, but other forms of advertisement may be used.

In addition to open advertisement, the PSR, Panel and secretariat may contact relevant people and firms within the industry and signpost them to the available opportunity should they wish to apply or put someone forward.

Within the overall approach of an objective and transparent process, the process is likely to differ for specific groups as follows:

- f. **Chair's position** – open competition and advertisement on the PSR website, with a parallel search for suitable candidates by the secretariat. Where resourcing allows, we will also consider employing a head hunter firm for the Chair's position. This will be a complement to, and not substitute for, open advertisement.
- g. **Consumer representation** – open competition and advertisement on the PSR website, with a parallel search for suitable candidates by the secretariat.
- h. **User representatives** (corporate, small business and domestic) – open advertisement with a parallel search for suitable candidates by the secretariat.
- i. **Government user representatives** – the Treasury will put forward to the secretariat the most appropriate person(s) to represent Government user interests on the Panel.
- j. **Payment service providers, technology firms and sponsor banks** – these representatives comprise a relatively limited pool of suitable candidates. In these cases we will adopt a ring-fenced competition process where key organisations or firms are invited to put names forward for consideration. Open recruitment would be unlikely to offer up suitable alternative candidates and would require significant resource in terms of managing the application process.

All applications for Panel membership received will be reviewed by the secretariat and Chair and a number will be short-listed and interviewed. The Chair and secretariat will propose the most suitable candidate for the opportunity available to the PSR Board for approval.

Applications for the Chair's position will be reviewed by the secretariat and the PSR Managing Director. Once a candidate has been selected they will be recommended to the PSR Board for initial approval, and then the Treasury to formally approve the appointment as required by the Act.

Terms of office

Current members are appointed for 2 or 3 year terms. Members will usually serve a maximum of two terms, either of 2 or 3 years, given the frequency of Panel meetings. Under the recruitment process, members (including the Chair) will be considered for a further 2 or 3 year term where it is felt appropriate by the Chair, secretariat and PSR, based on strength of participation and attendance at meetings.

Where the Chair, secretariat and PSR feel a member should step down at the end of their term, either because they have served two terms on the Panel or it is felt the Panel would benefit from new representation in that sector, the seat will be opened up for competition as per the recruitment process. This will also be the case where a Panel member wants to resign from the Panel.

Some appointments have already been made in the last year, based on a process resting on the underlying thinking described in the recruitment process above. All future appointments will follow the principles set out in this framework where appropriate and possible.

Those from consumer and small business organisations will continue to be paid a per diem amount and be able to claim travel expenses.