

## Minutes

Meeting: Second Forum Meeting

Date / Time: 15<sup>th</sup> December 2015

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### Ai. 1 Welcomes and introductions

- Chair welcomed everyone to the second meeting of the Forum and thanked Members for their contributions to the Away Day and the working groups so far. She expressed confidence that the Forum now has the right people and right groups to begin work.
- The Chair gave apologies from John Hackett and Mark Lyonette.
- The Chair updated the Forum on the high-level outcomes of the first meeting of the PSOs Consultative Group, noting that it was a positive and constructive meeting. The Secretariat agreed to raise their comments at each agenda item.

### Ai. 2 Minutes and Actions

- Members noted and agreed the minutes and FINAL Terms of Reference without comment.
- The Secretariat confirmed all actions arising had been agreed.
- The Chair noted the volume of papers but advised that this meeting should agree the remaining processes and from this point forward the Forum will act as a steering / escalation / approval group.

### Ai. 3 Forum Away Day Output

- Chair asked the Forum to note and agree the list of detriments discussed at the away day and later updated by the Secretariat.
- Some Members were concerned that the list of detriments, while complete, needed to be 'cleaned' by removing repetition, clarifying the terminology and potentially adding a referencing system.
- The Forum agreed that it was the responsibility of the Working Groups to refine, group, prioritise and cross-check the detriments in their groups as a first action. The Forum also agreed that no detriments should be dropped from the list at this stage.

**ACTION: Working Group Chairs to report back on their progress at the 3rd Forum meeting**

#### **Ai. 4 Strategy objectives; principles and structure**

- The Secretariat presented the paper which Forum members noted and agreed, subject to the following changes:
  1. the objectives should be re-ordered as 1. Secure and resilient 2. Versatile and responsive to user needs 3. Efficient
  2. a definition of timeframes (short, medium, long-term) should be included alongside principle 4
  3. the implementation plan section of the final document should also include detail of priorities; sequencing and dependencies

#### **Ai. 5 Evaluation Framework**

- The Chair opened with a discussion on the best approach for progressing the issue of Account Number Portability (ANP)
- It was noted that the PSOs suggested this item should be progressed by the Horizon Scanning working group rather than as a separate group. Forum Members agreed and noted that ANP should be considered as a possible feature to be included in the design of future schemes or solutions.

#### **ACTION: ANP to be progressed by the Horizon Scanning Group**

- At this time the Chair took the opportunity to discuss resourcing and budget of the Forum. This focussed on 5 main areas:
  1. The Forum itself- i.e. the Chair and Secretariat
  2. Logistical / administrative support of the working groups
  3. Technical expertise of the working groups
  4. Business case analysis of solutions identified by the working groups
  5. Evaluation of the Forum's overall strategy
- The PSR reminded the group that the agreed policy position, following the November 2014 consultation, is that this is an industry Forum (in the broadest sense) and therefore it is up to the industry to resource, fund and develop the strategy themselves, rather than the Regulator set strategy. However, as per the March policy statement the PSR did commit to fund the Forum Chair and Secretariat roles.
- The Forum supported this and agreed that areas 2 and 3 should be provided by industry, via the working groups. It was agreed that this message should be reiterated by the Chairs to their individual group members, who should be reminded that when applying to be on the groups they committed to provide their resource and expertise.
- To further support this some Members made offers of secondees from their organisations and although there were concerns that this could result on the larger organisations having a disproportionate influence, it was agreed this was a practical step forward as long as the Forum itself provides the necessary checks and balances.

**ACTION – Members to advise the Forum Secretariat of any secondees they can make available, indicating if they can be pooled or are being allocated for a specific task, 08<sup>th</sup> January 2016**

- Discussions then turned to ‘business case analysis of solutions identified by the working groups’. Forum members supported that there should be an appropriate level of independence for this process but agreement wasn’t reached on the level.

**ACTION –Forum Secretariat and PSR to consider internally the views of the Forum and the agreed policy position and revert by end January 2016.**

- Finally, the Chair outlined her views on the need for an independent evaluation of the Forum’s overall strategy. Differing views were expressed on how this work should be undertaken, the budget required and how this should be funded.
- The Chair agreed to document her proposal in more detail for the Forum’s consideration.

**ACTION – Chair to draft paper by January 2016 outlining her budgetary requirements and funding proposals**

#### **Ai. 6 Forum Work Programme**

- The Chair introduced the high level work programme, advising this has been created to meet the timeframes outlined in the PSR’s March policy statement
- Members advised there were challenges in meeting the milestones but agreed the work programme, subject to the following change:
  - The process followed by all three of the technical working groups should be the same, rather than a standalone process for ‘simplifying access to markets’.

**ACTION: Secretariat to update the high level work programme and re-issue**

#### **Ai. 7 Forum Working Groups**

- The Chairs provided a verbal update on the progress of their working groups (see one page reports for detail)
- Each advised that good progress has been made and they are individually committed to the success of the Forum but, as discussed earlier in the agenda, challenges remain on timeframes and resource
- There was agreement on the need to reinforce the principle that members of working groups are there in their capacity as payments professionals who are passionate about moving the industry forward, and need to ‘leave their organisations at the door’ for this process to be truly collaborative and effective.

## Ai. 8 Forum Engagement

- The Forum noted and agreed the update.

## Ai. 9 Any other business

- There was a short discussion on the role of the Panel in relation to the Forum, to clarify the different roles and remits for Forum members.
- The Bank of England offered to meet with the working group Chairs if they had concerns falling within the Bank's remit.
- It was agreed it would be helpful to cascade the relevant discussions from this meeting to each of the working groups.

**ACTION: Secretariat to provide a briefing document summarising the relevant discussions to be cascaded to the working groups.**

DRAFT

**ANNEX 1 – Attendance List**  
**Second Meeting of the Payment Systems Forum**

15 December 2015

**Apologies:**

John Hackett – Chief Operating Officer, HSBC

Mark Lyonette – Chief Executive, Cornerstone Mutual Services

**Attending**

*Members*

Ruth Evans (Chair)

Adam Marshall – Executive Director, Policy and External Affairs, British Chambers of Commerce

Alan Smith – Head of Payments and Banking Services, Post Office

Becky Clements – Head of Payment Operations, Metro Bank

Carl Pheasey – Head of Policy, Money Advice Service

Carlos Sanchez – CEO, Orwell Group

Faith Reynolds – Member, Financial Services Consumer Panel

Katherine Horrell – Group Treasurer, Centrica

Lisa Felton – Head of Consumer Policy, Vodafone

Marion King – Group Director of Payments, RBS

Michael Maier – Chief Operating Officer, Fidor Bank

Mike Smith – Commercial Director, Raphaels Bank

Neil Lover – Head of Payments and Financial Crime, Coventry Building Society

Nick Davies – Richer Data Strategy Lead, DWP

Otto Benz – Director, Strategic Payments, Virgin Money

Philip McHugh – Chief Executive, Barclaycard Business Solutions

Russell Saunders – Managing Director, Global Payments, Lloyds Banking Group

Ruth Milligan – Retail Finance Policy Adviser, British Retail Consortium Retailers

Ruth Wandhofer – Global Head for Regulatory and Market Strategy, Citi Bank

Sian Williams – Head of Financial Inclusion, Toynbee Hall

Thaer Sabri – Chief Executive, Electronic Money Association

*Observers*

David Bailey, Bank of England

Nilixia Devlukia, Financial Conduct Authority

Hannah Nixon, Payment Systems Regulator (Present for agenda items Ai.1-5)

Dora Guzeleva, Payment Systems Regulator

*Secretariat*

David McPhee

Michaela Costello