



## **Payments Strategy Forum Draft Strategy Consultation**

### **Draft Response from the LINK Scheme Consumer Council**

**To:** Ruth Evans, Independent Chair, Payments Strategy Forum

**From:** Tracey Graham, Independent Chair, LINK Consumer Council

**Date:** 13<sup>th</sup> September 2016

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Dear Ms. Evans,

I write on behalf of the LINK Consumer Council to express our strong support for the work of the Payments Strategy Forum (PSF).

LINK operates the network that connects together virtually every ATM in the UK. The LINK Consumer Council is an independent body that advises LINK on how to meet the cash access needs of consumers. It is made up of a number of consumer organisations (Citizens Advice, Consumer Council Northern Ireland, and Toynbee Hall), independents (Lady Margaret Bloom and Teresa Pearce MP), and LINK Member representatives (NoteMachine, PayPoint, and Royal Bank of Scotland). I act as its Independent Chair and also hold the position of Independent Non-Executive Director on the Link Scheme Ltd Board.

The Council welcomes the valuable work of the PSF in developing a draft strategy for the industry. The payments industry is complex, and has a wide range of stakeholders and users. We firmly believe that establishing a cohesive long term strategy will be a significant step forward for an industry undergoing unprecedented change. The Council believes that there are a number of key areas where the LINK ATM scheme is in scope of the draft proposals and has commented on these areas below.

#### **Responding to consumer and business needs**

Whilst the PSF's recommendations are focused on electronic payments, we agree with the general direction of the draft proposals on request to pay, establishing greater assurance data, and delivering enhanced data for government and businesses. Cash is an important part of the overall set of options available for consumers and we recommend that LINK is engaged in the discussions on developing these ideas so that the role of cash can be understood and played in to the thinking.

#### **Improving trust in payments**

The draft strategy sets out how to improve trust in payments and how Payment Service Providers (PSPs) can more effectively collaborate on reducing financial crime through more effective risk management, enhancing sanctions and data sharing. The Consumer Council is very supportive of the objective of improving trust in payments, and LINK is already extensively involved in work in this area for ATMs. LINK is an



active member of a number of cross-industry forums on reducing ATM fraud and would be keen to share relevant learnings with the Forum.

### **Simplifying access to promote competition**

The Council encourages the work the PSF is carrying out on promoting competition through simplification and supports the recommendations to recognise the competitive position of LINK in relation to Scheme consolidation.

The Council also welcomes the investigation the industry is undertaking into setting messaging standards to encourage innovation and competition and is pleased to note that the Strategy Forum will be investigating this in relation to LINK. As noted in the final report of the Infrastructure Market Review by the PSR, LINK has a bespoke messaging standard which provides a different set of competitive constraints. The Council notes that LINK is happy to work with the PSF to explore opportunities in this area.

We are also keen that LINK continues to support the PSF's recommendations in all areas where there are benefits to consumers through closer coordination. We believe that these areas include sharing experience on aggregators, where LINK has eight connected to the Scheme. Also participation in the work of ISSOC (the forum of the interbank schemes) on common participation and rules. The Scheme's management has agreed to keep the Council closely briefed on its engagement with these areas so that we can continue to contribute a strong consumer perspective to LINK's input.

### **Establishing a new architecture for payments**

The LINK Consumer Council thinks that this is very interesting idea and is keen to support future thinking and development. The availability of processing suppliers to support innovation is an important requirement for the LINK Scheme. Again, the Scheme's management has agreed to keep the Council closely briefed on its engagement with this area so that we can continue to contribute a strong consumer perspective to LINK's input.

We hope that you find our comments useful and reiterate our commitment to supporting this important work.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Tracey Graham". The signature is fluid and cursive, with a long, sweeping underline.

**Tracey Graham**  
**Independent Chairman, LINK Consumer Council**  
**Independent Non-Executive Director, Link Scheme Limited**