

FINAL DRAFT Horizon Scanning Working Group

| Terms of Reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. One area that participants at the event thought should be a priority for the Forum was the creation of a capacity for horizon scanning, both of regulatory and technical developments in the UK and abroad. This should inform the Forum's strategy setting process.

Working group scope and deliverables

6. This work stream will inform the Forum of relevant market, regulatory, and technological developments, to assist the Forum to:
 - properly understand and takes into account relevant UK and international market, regulatory, and technological development; and
 - understand how these developments might affect its work and the work of the working groups.

7. The group will research and present a regular horizon scanning report to the Forum. The report will identify key developments and suggest how these might be relevant to the Forum's work.
8. The Forum can discuss and agree changes to the terms of reference for this group.
9. The group will coordinate with other working groups to avoid overlapping
10. The Group will adopt an approach that supports all types of service user and the work of the other Forum working groups
11. The group will structure its work around three main horizons:
 1. Regulatory horizon
 2. Geographical and business model horizon
 3. Technological horizon

Working stream operating principles

Chair and membership

9. The Forum will select a working group Chair to coordinate this work, responsible for reporting back to the Forum. One or more deputies will support the Chair in his duties and if the Chair is not present will take on his duties. The deputies are volunteers from the HSWG and will be announced by the chair.
10. The Forum should discuss and agree the constitution of the working stream to progress the work. There should be an open call for expressions of interest in actively participating in its work.
11. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.
12. The group is open so its membership may evolve over time as and when required

Resourcing

13. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
14. Working group members will be expected to provide all resources and funding necessary for the group to function effectively.
15. Members commit to contribute actively and to meet deliverable dates.

Meetings

16. The working group Chair will be responsible for convening any meetings necessary to progress the work.
17. The working group Chair should be responsible for presenting the deliverables of the group as required by the Forum.
18. All materials to be discussed at the Forum should be sent to Forum secretariat two weeks ahead each scheduled Forum meeting.
19. The working group may decide to set up its own sub-groups to progress work on specific matters within the scope of the working group if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Appendix - Current Attendees and Chair

Attendee	Business
Carlos Sanchez (Chair)	Orwell Group
David Chance	Dovetail Systems
Duncan McEwen	UK Cards
Kevin Smith	AIRFA
Mark Beresford	Edgar Dunn
Mark Pettit	Visa
Nick Kerigan	Barclaycard
Richard Jones	VocaLink
Nilixa Devlukia (Observer)	FCA
Philip Bronk (Observer)	PSR
Howard Allen	Payfriendz
Neil Lover	Coventry Building Society
Roger Tym	Hogan Lovells
Ruth Milligan	British Retail Consortium
Shalini Vaghela	Faster Payments
Stuart Cole	Cheque and Credit Clearing Co
Vicky Lloyd	Locke lord
Robert White	Santander
Ali Imanat	FFA UK
Sameer Gulati	Innovate Finance
David Froud	Mypinpad
John Blanchfield	HSBC
John Lyons	RBS
Jon Matonis	Independent
Michael Maier	Fidor
Mike Peplow	Payment CT
Ruth Wandhofer	Citbank
Sailesh Panchal	LBG
Tim Pigott	Nationwide
Chris Higham	Virgin Money
Mike Kelly	Independent
Natalie Lee	RBS