

Working Group Paper

Date of Meeting: 23 February 2015
 Paper Number: PSFWG(15)02
 Subject: Agreeing selection process for Independent Forum Chair

1 Purpose of the paper

- 1.1 In our consultation paper we said one of the responsibilities of the working group would be *"to identify and agree a selection process for an independent Chair for the Forum"*¹. This paper is designed to prompt discussion and facilitate agreement on the selection process.
- 1.2 Selecting an independent Chair for the Forum is integral to our ambition of launching the Forum soon after the PSR's launch in April. As such, we have set out what the selection process (and an associated candidate brief – Annex 1) could look like below, so that good progress can be made in the first meeting.

2 Proposed selection process

- 2.1 In developing our proposed selection process, our working assumption has been that a recruitment firm or 'head-hunter' will be required as part of the process. We believe this will help to ensure that the selection is transparent; that maximum coverage can be achieved so that a strong shortlist can be defined; and that identification of the preferred candidate can occur within the right timescale. The PSR will meet the costs of engaging a firm in this process.
- 2.2 With this in mind, a possible selection process is set out below:

Step 1	Working group to discuss and agree candidate brief (see annex 1) during 23 February meeting.
Step 2	Following 23 February meeting (if agreement on candidate brief is reached), PSR will engage a recruitment firm to identify a long-list of [10-15] individuals based on the agreed candidate brief.
Step 3	The PSR will sift long-listed candidates, referring back to the agreed candidate brief.
Step 4	The recruiter will interview these candidates and recommend a short list [3-5] to the PSR.
Step 5	An appointments panel consisting of the PSR Managing Director, PSR Policy Head of Department and a third external individual of independent standing will appoint the successful candidate.

¹ Payment Systems regular Supporting Paper 2 p.20 <http://www.fca.org.uk/static/documents/psr/psr-cp14-1-2-sp2-payments-industry-strategy-areas-for-collaboration.pdf>

- 2.3 **Working Group members are invited to comment on this proposed selection process and whether it is sufficient to select a strong independent Chair for the Payments Strategy Forum. If members consider the process should be different, it would be very helpful to understand what alternative processes should be considered.**

3 Candidate brief

- 3.1 As part of the proposed selection process outlined above, a candidate brief would be provided to the recruitment firm. To facilitate discussion, we have provided a draft candidate brief (annex 1).
- 3.2 **Working Group members are invited to comment on the proposed candidate brief. It would be particularly useful if members could think about the following areas:**
- Ensuring the independence of the Chair
 - The key skills and experience required for the role
 - The Chair's responsibilities

ANNEX 1: DRAFT CANDIDATE BRIEF

Independent Chair Payments Strategy Forum

1. The Payment Systems Regulator (PSR) has established the Payments Strategy Forum ("Forum") to identify strategic priorities and undertake strategic coordination in a way which advances the PSR's statutory objectives.
2. The Forum will contribute to development of innovative and responsive payment systems and services in the UK, through:
 - Seeking to ensure that service-users and other relevant stakeholders can meaningfully contribute and influence discussions about the future of payment systems and the services they support
 - Identifying key priorities for the development of payment systems where collaboration is necessary to achieve good service-user outcomes effectively and in a timely manner
 - Agreeing appropriate strategies to coordinate and drive developments in line with these priorities
3. The Forum will have two different aspects, both Chaired by the successful candidate:
 - **A forum 'Board'** – to facilitate focused discussions and formulate priorities and recommendations
 - **A Forum 'Assembly'** – a regular event, designed to capture the views and input of a broad range of stakeholders. These views and input will feed directly into Forum Board discussions

Overall attributes of the Independent Chair

4. Candidates for this challenging role will be individuals with a strong and positive reputation through previous experience of being an effective Chair. It is important that the candidate has demonstrable experience in managing and chairing diverse groups to reach consensus.
5. Candidates will be able to demonstrate their leadership skills, with experience of chairing senior strategy setting bodies with a diverse stakeholder base; or experience of sitting on a board or panel in an area with a similar level of complexity and desirably a comparable public profile.
6. Ideally candidates will be able to demonstrate the ability to provide strategic direction to the Forum, with the ability to steer a group with authority to consensus while showing political sensitivity, resilience and sound judgment.
7. Due to the nature of the role, successful candidates will be prohibited from holding other positions or interests that have the possibility of actual or perceived material impact on their ability to demonstrate independence. As such, it is crucial that prospective candidates make clear any other commitments they have or are likely to undertake.

Key Responsibilities

- Chair the Forum meetings, ensuring balanced contributions from all Forum members;
- Chair the Forum Assembly meetings, for example, providing opening and closing statements;
- Lead the development and agreement of the Forum's priorities;
- Where appropriate commission and sign off specific pieces of research / analysis required to meet the Forums objectives;
- Drive the performance of the Forum to meet agreed goals and objectives, evaluating effectiveness as appropriate;
- Maintain and develop key relationships – within the PSR and externally – to ensure they are strong and productive;
- Represent the Forum at appropriate events, meetings or functions acting as a spokesperson for the Forum where appropriate;
- Attending Forum working groups when appropriate in role as Chair;
- Liaise closely with the Forum secretariat to monitor workloads, set agendas, agree supporting papers and track progress on activities;
- Ensure the Forum complies with all good governance practices and legislative requirements.

Candidate Profile

- High-level chairing/ leadership experience;
- Undisputed integrity; standing; authority and discretion;
- The ability to understand or develop an understanding of the important issues and opportunities facing payment service-users and payment service providers;
- The ability to think strategically;
- The ability to work constructively with others as a leader, and, as part of a team, communicate with them effectively;
- The ability to build and maintain strong relationships with a wide range of stakeholders;
- The ability to summarise a range of diverse issues and facilitate consensus;
- Excellent communication skills – with the ability to vary style and approach dependent on situation and audience;
- The necessary credibility to operate in a sensitive area, sometimes under pressure of close political, public and press scrutiny;
- The ability to work in an open and publically accountable way – subject to stringent confidentiality requirements.

Relevant experience

- Previous experience of strategic leadership and of Chairing an equivalent body;
- Experience and understanding of end user perspectives and issues;
- An informed understanding of the payments industry but direct experience not essential;
- A demonstrable ability to find consensus amongst competing interests.
- Proven ability to build effective senior relationships with a senior diverse and challenging stakeholder base;
- A track record of sound judgment, and the ability to apply common sense and diplomacy;

Time Commitment

- The Forum meets no less than [8] times a year;
- The Forum Assemblies meet no less than [4] times a year;
- To support the above and for the Chair to fulfil their responsibilities the formal commitment is set at [1] to [1.5] days a week;
- The nature of the role will require flexibility as to the commitment, given the demands arising from the formation of the Forum;

- The Chair will be supported by secretariat provided by the Payment Systems Regulator.

Location

8. Meetings of the Forum will usually take place in London. The location of the Forum Assembly could vary dependent on the requirements of the Assembly.

Remuneration

9. Remuneration is set at £x per annum.

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