

Welcome to edition number 37 of *Cheque Mate*, the publication designed to keep members of the Cheque Printer Accreditation Scheme informed of what is happening at the Cheque and Credit Clearing Company (C&CCC). This edition includes features on:

- Progress on the new cheque imaging project
- The Cheque Printers Forum scheduled for June 2016
- The appointment of a new independent director at the C&CCC
- The first anniversary of the Payment Systems Regulator
- Cheque fraud continuing to fall
- Social media update

Focus on Cheque Imaging

Cheques continue to remain very popular – new data shows that in 2015 over 558 million cheques were issued, an average of around 1.5 million every day. To ensure that the future of cheques is protected for as long as customers want to use them, the banking industry has been working hard on plans to introduce a new, and quicker, way of clearing cheques. Called the Image Clearing System (ICS), the new process will use a digital image of the cheque rather than, as at present, the actual paper cheque itself.

Once the new system is fully introduced it will mean that all cheques will be cleared by the next weekday or sooner (bank holidays excluded) rather than the existing six weekday process.

However, there is still a great deal of work to be done by the industry before cheque imaging can become a reality.

New legislation to enable cheque imaging has been passed in the Small Business, Employment and Enterprise Bill and the Government is now working on the regulations to underpin the new legislation. Meanwhile, the C&CCC is working with the banking industry to agree the changes to the infrastructure and technological capabilities that are required before the ICS can be introduced.

Towards the end of last year an IT consulting company was appointed to design and deliver the core infrastructure services that will support the ICS. Once the new system is fully introduced, all of the UK's banks and building societies will be clearing all cheques, via the image-based process, to the faster timescale.

More details about the timescales for the project will be announced in due course.

Keeping stakeholders updated

This summer's Cheque Printers Forum has been postponed and, in its place, regular email bulletins will be issued to CPAS-printers, certification bodies and PIRA. The purpose of the bulletins is to keep recipients updated on developments affecting them, such as progress regarding the Image Clearing System

and the timeline around its implementation.

Any information that you would like to be included in these bulletins or any questions that you would like to ask of the C&CCC should be sent to us at: **cpashelpdesk@chequeandcredit.co.uk.**



New Independent Director appointed

Heather Benjamin has been appointed as a new independent director to the Cheque and Credit Board. Heather, who was appointed on 1st February 2016, is the former Chief Procurement Officer at Centrica, the international energy company. She is also the current Chair of Walsingham Support – a learning disabilities charity.

Heather's primary role is to ensure that the 'customer voice' is heard in the Cheque and Credit Boardroom, as well as ensuring that there is relevant input from the multitude of different stakeholders during the implementation of cheque imaging - one of the biggest changes to cheque processing in the cheque's 350 year history.

Jane Bevis, Chair of the C&CCC, commented:

"I am delighted to welcome Heather to the Board. Her understanding of consumer issues, supply chain risks and operating in a regulated environment will strengthen further the skills around the Board table."



Heather Benjamin

2016 CPAS fees

Members should have all received and settled their invoices for 2016. If you have not yet paid your fee, please do so as a matter of urgency. If you require a copy of your invoice contact our Helpdesk at cpashelpdesk@chequeandcredit.co.uk.

First anniversary of the Payment Systems Regulator

April marks the first anniversary of the launch of the Payment Systems Regulator (PSR), the regulatory body that oversees the payment systems industry in the UK. A number of payment systems operators – including Cheque and Credit – are now fully regulated by them.

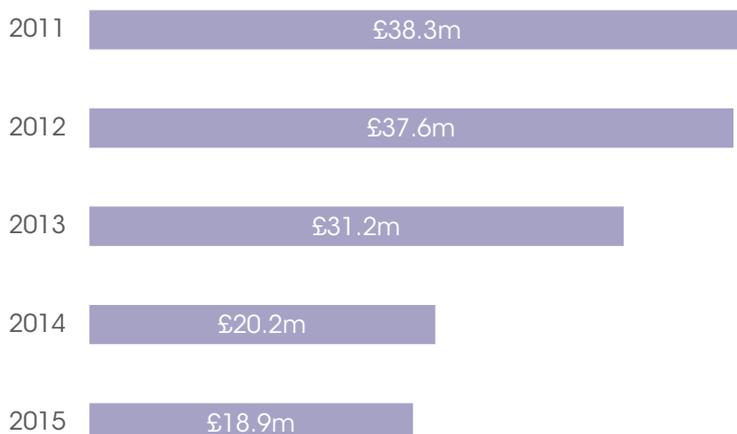
The appointment of the C&CCC as a 'regulated entity' not only reflects the vital role that cheques play within the payments industry, but perhaps more importantly also highlights our own and the PSR's shared objectives of establishing a competitive, open-access and innovative payments environment.

We remain an integral player in the payments industry and are active members of three PSR Working Groups – the 'End-User' Group, the 'Horizon Scanning' Group and the 'Simplifying Access to Markets' Working Group. These working groups all feed into the important work of the Strategy Forum at the PSR. Although it is still very early days, we are encouraged by how the relationship is developing.

Cheque fraud at its lowest ever level

Cheque fraud losses continued to fall last year and now represent their lowest ever annual total. A total of £392.8 million of attempted cheque fraud was prevented by bank security and monitoring systems in 2015, equivalent to £9.50 in every £10 of fraud being prevented. In total there was £18.9 million of cheque fraud in 2015, down six per cent on 2014 levels.

In spite of the overall decrease reported for cheque fraud, there has been a rise in counterfeit losses, which have increased to £6.2 million. However, the two other cheque fraud categories – 'forgery' and 'fraudulent alteration' – have fallen to £4.7 million and £3.5 million respectively.



Despite the decrease, we are not complacent about the fall in cheque fraud levels and everyone within the industry continues to work hard to reduce cheque fraud levels still further.



Social Media update



As was the case during 2015, the most popular source of video information for customers during the first quarter of 2016 continues to be our YouTube video called 'How Cheques Clear'.

Over the three-month period the video was viewed nearly 1,900 times and is consistently ranked as one of the most popular sources of information for customers wanting to understand the current UK cheque clearing process.

Interestingly, the data show that as many people in the USA watched the video as watched the video in the UK (23% of all viewings). The video was also popular in India (15% of all viewings) and in Germany (8% of all viewings).

The figures also show that more men than women watched our YouTube material (76% men versus 24% women) and that most of the viewings (44%) came via external searches with a further 29% of the viewings coming directly from searches on YouTube.

Later in the year we hope to add another video to our YouTube channel, this time looking at the new cheque clearing process. The video will allow customers to compare and contrast the current, and the proposed cheque clearing processes.

Social media will play an increasingly important role for the C&CCC in communicating to customers the changes to the cheque clearing process. Full details of how you can follow the C&CCC on social media are below.

CPAS rules

Over the past year there has been an increased focus by the industry to ensure the infilling of cheques is being carried out correctly and in accordance with the requirements of Standard 3.

Examples of poor infilling are being seen by some member banks, which are causing problems in correctly reading the details.

CPAS members that supply stock for subsequent infilling by customers are kindly reminded to include details of how they should correctly complete the cheques. A one page customer guideline can be found at the following link:

[www.chequeandcredit.co.uk/cheque_and_credit_printing/cheque_printer_accreditation_scheme_\(cpas\)/](http://www.chequeandcredit.co.uk/cheque_and_credit_printing/cheque_printer_accreditation_scheme_(cpas)/)

New member of staff

The C&CCC has recently appointed a new member of staff - Rachael Kirkby - to work alongside Gina Casey and David Louis in the existing Cheque Printer Accreditation team.

Rachael was appointed in February 2016 and can be contacted at cpashelpdesk@chequeandcredit.co.uk.



Rachael Kirkby



ChequeMate



Cheque & Credit Clearing Company

Want to stay in touch?

There are a number of ways you can keep up to date on the progress of the new cheque imaging system. Cheque Mate is one way of catching up on the news, but the C&CCC website is also a good source of information: (www.chequeandcredit.co.uk).

In addition you can keep up to date by following the C&CCC on either:

- Twitter ([@chequeandcredit](https://twitter.com/chequeandcredit))
- YouTube (www.youtube.com/chequeandcredit), or
- LinkedIn (www.linkedin.com/company/cheque-and-credit-clearing-company).

Contacts

- General enquiries: questions@chequeandcredit.co.uk
- Web: www.chequeandcredit.co.uk