

# Summarising views from our stakeholders and how we responded to feedback

In reviewing our strategy, we carried out extensive stakeholder engagement, seeking views on our strategic outcomes and priorities, and progress made.

Our engagement included roundtable discussions with payment leaders, merchants, fintechs and our PSR Panel, meetings with user representatives, discussions at our Annual Plan event, and a stakeholder survey covering a broad range of stakeholders across payments. More broadly, we engage regularly with industry bodies, other regulators, and international counterparts to listen to stakeholders and learn lessons, all of which has supported this review process. We have carefully listened to all of the feedback received.

## A summary of our engagement

### Who we engaged

- Payment systems operators
- Consumers and consumer organisations
- Payment service providers
- Fintechs
- Trade Associations
- Merchants and merchant organisations

### How we engaged

- Stakeholder survey made available on our website and distributed to 9,000+ contacts
- Roundtables targeting select groups
- Sessions at stakeholder events and bilateral meetings
- Sought stakeholder feedback as part of the PSR's Annual Plan event

## Questions we asked

### Do you think our strategic outcomes and priorities overall are the right ones?

#### You said

The majority of stakeholders felt that our strategic outcomes/priorities are the right areas of focus.

Many stakeholders identified all four outcomes as important to them, with some also emphasising the critical importance of innovation as a key issue for the future.

#### How we responded in our review

We have maintained our four strategic outcomes as articulated in 2022, reflecting them through our three core commitments for the next two years.

We have also emphasised our focus on competition and innovation in our review.

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## Questions we asked (continued)

### How well is the PSR delivering against individual outcomes?

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#### You said

Open banking and development of an account-to-account for retail transactions commercial model are viewed as critical, with differing views on whether this should be delivered through 'regulatory' or 'market-led' approaches.

There was key interest in our work on Variable Recurring Payments (VRP), particularly on how it might enable further access and choice for consumers.

There were various views on our work on protection, particularly on the levels of reimbursement for APP fraud. On fraud, many said that prevention should be a focus tackling the originating source of fraud.

#### How we responded in our review

We are continuing to progress work on open banking, focussing on phase 1 of the VRP rollout and working the FCA as it takes on the role as regulator for open banking.

We are continuing with embedding regulations to incentivise firms to protect fraud and will commission an independent evaluation of their impact. While broader fraud origination is outside our formal remit, we have published data more generally on sources of fraud to increase awareness of fraud origination.

### What are key challenges in payments?

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#### You said

Many stakeholders named fraud prevention, including data sharing/collaboration was noted as a key component in fraud prevention, and that the right infrastructure, and a centralised framework are needed to effectively facilitate data sharing.

A lack of alignment among regulators was also named, as well as the importance of inclusion.

Access to payments infrastructure was also highlighted as an issue, particularly for newer/smaller fintechs who have to request access via a more established firm, often a competitor.

#### How we responded in our review

We will work closely with the FCA on data sharing

We are committed to working closely and collaborating with other regulators and we outline how we are working to do this more effectively in the report.

We acknowledge the importance of digital and financial inclusion, and ensure that, where relevant, our work programmes promote access. However, we are clear that our remit has changed in relation to cash which impacts on our focus on this issue.

We have foregrounded our focus on innovation, including our focus on working more closely with innovators to understand and unlock barriers.

We will work to widen access, including through improvements to the infrastructure as part of our innovation focus.

### What are important developments the PSR should be aware of?

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#### You said

The importance of monitoring issues arising from Big Tech in relation to fraud and access to digital wallets.

AI (and particularly its role in fraud detection)

#### How we responded in our review

We have embedded a comprehensive approach to horizon scanning to keep developments under continued review.

We will offer expertise on payments developments – including topics such as AI and digital wallets. We will convene stakeholders, influence debate, and encourage industry actions where appropriate.

We published a 'Call for Information' to better understand the risks and opportunities arising from digital wallets and, as set out in the review, we will provide an update in Q1 2025 on next steps where we can add value.