



payments  
strategy  
forum

# **New Payments Architecture Design Hub**

Payments Strategy Forum  
1<sup>st</sup> March 2017

# NPA Contents

The sections in this pack provide an update on:

- A. NPA Key achievements & March deliverables
- B. Blueprint content
- C. Meeting and workshop coordination
- D. Workstream progress updates (since last Forum on 30 January 2017)
- E. Key next steps
- F. Workstream detailed plans
- G. NPA artefact map
- H. Update on Principle risks
- I. NPA detailed organisation structure

# NPA key achievements

## Key achievements over the last few weeks

### Programme Initiation

- Workstreams mobilized, leads in place and gearing up to full pace (Except WS 4)

### Programme Structure

- NPA Working group weekly meetings in place
- Weekly progress and RAG dashboard programme reporting defined (WS1, WS2, WS3)
- A Technical Design Authority (TDA) is in place for WS2 with weekly working sessions
- Structured Action Log and RAID Log initiated

### Planning

- Draft Plans and approach in place with a **clear view of required deliverables** (WS1, WS2, WS3)
- Draft Artefacts mapped and synchronised between WS1 and WS 2
- Deep dive workshops have commenced and further workshops scheduled (WS1, WS2)
- WS2 Pilot workshops scheduled
- CBA draft approach underway

### NPA Design Education Sessions

- Held 1st Education session (16th Feb) and received positive feedback
- Planned 2nd education session (6th March)

### Resource Planning and Onboarding

- Minimum resource needs identified (WS1, WS2, WS3) and processing through Payments UK
- Community engagement communication published with volunteer engagement capture form

### Community Engagement Framework

- Review of End User stakeholder ecosystem complete
- Framework agreed with Forum Secretariat and Working Group
- Online capture form designed and deployed

### Industry Engagement

- Bank of England engagement underway (WS2)
- Engaging with the schemes, PSOs and Trade entities regarding Use Cases in Industry for End User needs requirements (WS1):
  - Payments UK (AD, R2P)
  - Faster Payments (R2P)
  - Paym (AD)

#### Glossary:

<b>WS:</b>	Workstream
<b>NPA:</b>	New Payments Architecture
<b>TDA:</b>	Technical Design Authority

# March deliverables

## What is achievable by end of March

### Workshops

- 2<sup>nd</sup> NPA Design Education Session
- Bank of England Settlement Model Definition
- High Level Pilot Scope Approach
- EUN Use Cases and Stories Definition
- CBA Small Focus Sessions for Approach Alignment
- CBA Inception Report, Early Findings and Data Validation

### Deliverables

- High Level requirements and standards
  - High level User journey
  - Business rules tested and developed with Users
- NPA Pilot approach
- Draft design outline of the NPA Blueprint
- Draft options for the settlement risk management & process with the Bank of England
- Architectural principles governing NPA
- Draft CBA Data Requests
- Cost Benefit Analysis method and approach defined
- Implementation of weekly Progress and RAG dashboard programme reporting (WS1,WS2, WS3)

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# Blueprint content

## WS1: User requirements and rules

- Document a suitably detailed set of business and technical requirements for Request to Pay, Confirmation of Payee, and Enhanced Data for handover to the NPSO by the end of 2017
- The NPSO will further develop rules / standards based on these, which it will use to accredit any providers which want to offer these services

## WS2: NPA pilot and transition design

- Design the high-level SPP architecture
- Design the NPA pilot and document the results
- Design the operational and technical transitional arrangements from the current systems to the NPA, including any interactions with RTGS
- The NPSO will base the development of the functional specification for the NPA procurement on these

## WS3: Implementation and CBA

- Develop the detailed implementation plan for the NPA, a high-level migration plan, and refresh the Business Case to support this
- The NPSO will follow this prescribed implementation plan from 2018

## WS4: Funding

- Develop models for the long term funding of the NPA, including for initial investment and suitable charging models to cover operational costs
- Take into account linkages to the PSO Delivery Group's work in designing the New PSO, and ensure any funding models are compatible with the design of the New PSO

WS1 and WS2 combined will set out the requirements for end users and the SPP

*The above are the products that will constitute the 'NPA Blueprint', which the NPA Design Hub needs to create by end 2017 for handover to the NPSO*



# Progress update of Workstreams since last Forum (30<sup>th</sup> Jan)

Workstream	Progress update
<p><b>WS1 - User Requirements/ Rules</b></p>	<ul style="list-style-type: none"> <li>• <b>Workstream Initiation:</b> Activities initiated               <ul style="list-style-type: none"> <li>• Held an induction session with Sian (Co-chair) to bring to discuss a workstream approach. Agreement and Approval obtained</li> <li>• Held a 2<sup>nd</sup> induction session with Carl (newly assigned Co-chair) to bring him up to speed on the workstream activities and ensure a smooth transition from Faith Reynolds</li> </ul> </li> <li>• <b>Approach and High Level Plan:</b> Requirements approach and accompanying plan till end June created.               <ul style="list-style-type: none"> <li>• Discussed and agreed upon with the workstream leads</li> <li>• Synchronised with overall programme plan as well as Workstream 2</li> </ul> </li> <li>• <b>Workshops:</b> <ul style="list-style-type: none"> <li>• Definition and identification of workshops attendees completed</li> <li>• Schedule of workshops till end June generated. First workshop on Use Case identification and definition scheduled for the 7<sup>th</sup> of March                   <ul style="list-style-type: none"> <li>• Scheduled pre workshop sessions to provide background and overview prior to the workshop. These are to take place on the 24<sup>th</sup> of February and 2<sup>nd</sup> of March</li> </ul> </li> </ul> </li> <li>• <b>Deliverables:</b> Agreed set of deliverables (Artefacts) in place and synchronisation with Workstream 2's deliverables underway</li> <li>• <b>Stakeholder Ecosystem:</b> <ul style="list-style-type: none"> <li>• Definition and identification of the stakeholder ecosystem complete</li> </ul> </li> <li>• <b>Community Engagement Framework:</b> <ul style="list-style-type: none"> <li>• Definition of a community volunteer categorisation framework complete, approved by the Working Group and the Forum secretariat</li> <li>• Creation and validation of an online Survey to capture the volunteer details</li> <li>• Community engagement framework request and survey published on PSR website</li> </ul> </li> <li>• <b>Leveraging existing assets:</b> Ongoing scan to identify opportunities to leverage ongoing work in the industry. This is being done through a literature review as well as sessions with the various parties.               <ul style="list-style-type: none"> <li>• Met with Payments UK and Vocalink.</li> <li>• Plans in place to meet with Faster Payments and Paym</li> </ul> </li> </ul>

# Progress update of Workstreams since last Forum (30<sup>th</sup> Jan)

Workstream	Progress update
<p><b>WS2 - NPA Pilot and Transition Design</b></p>	<ul style="list-style-type: none"> <li>• <b>Workstream initiation:</b> Activities initiated               <ul style="list-style-type: none"> <li>• EY on boarded and mobilisation activities initiated</li> <li>• Focus session held with Workstream members</li> </ul> </li> <li>• <b>Planning and delivery:</b> Design planning, approach and deliverable set have been outlined, then developed and are awaiting review and sign off from Workstream leads.</li> <li>• <b>Technical Design Authority established:</b> Set up a TDA body of lead architects that convenes weekly (commenced 10 February) to guide and shape development of the NPA architecture</li> <li>• <b>Resource planning:</b> Draft resource models and role profiles necessary for production of WS2 deliverables have been developed and immediate resourcing needs have been shared with Payments UK</li> <li>• <b>Technical solution deep dive workshops:</b> Technical solution sessions are being organised and held to explore specific design questions e.g. validating settlement models, messaging standards, and architecture layers</li> <li>• <b>Pilot approach planning:</b> Planning activities to develop NPA pilot scope, approach and parameters continues to happen</li> <li>• <b>Wider Stakeholder engagement:</b> Wider engagement with Payments Community is being organised.               <ul style="list-style-type: none"> <li>• Workstream 2 requirements included in Community Engagement Framework</li> <li>• Bank o England meeting targeted for the 28th Feb</li> </ul> </li> <li>• <b>Education sessions organised:</b> Organised the first of two education sessions and developed the content used to communicate to the vision of the NPA solution. The follow up education session is being organised for March 6<sup>th</sup></li> </ul>

**Glossary:**

**NPA:** New Payments Architecture  
**TDA:** Technical Design Authority



# Progress update of Workstreams since last Forum (30<sup>th</sup> Jan)

Workstream	Progress update
<b>WS3 - Implementation and CBA</b>	<ul style="list-style-type: none"> <li>• <b>Workstream Initiation:</b> Activities initiated               <ul style="list-style-type: none"> <li>• Held planning session with EY Cost Benefit Analysis specialists around CBA approach and inception report with regular meetings scheduled</li> <li>• Explored the shape of the Implementation planning activities required</li> </ul> </li> <li>• <b>Approach and Plan:</b> <ul style="list-style-type: none"> <li>• Draft CBA approach and planning outlined, with iteration in progress.</li> <li>• Implementation plan will be informed by WS2 draft requirements / design, but work to be initiated to capture payments industry deployment landscape in wider ecosystem</li> </ul> </li> <li>• <b>CBA Focus sessions:</b> Focus groups with selected PSF stakeholders being scheduled to walkthrough CBA approach and Inception report</li> <li>• <b>CBA research:</b> Literature review will progress in the coming weeks</li> <li>• <b>Deliverables:</b> CBA artefacts map in progress and undergoing iteration before review by workstream leads</li> <li>• <b>Resource planning:</b> Short term resourcing needs and role profiles have been identified and approved by the workstream leads and shared with Payments UK to initiate interviews/appointments</li> <li>• <b>Wider Stakeholder engagement:</b> Wider engagement with Payments Community is undergoing iteration and continues to be managed through The Forum, EY and PSR</li> </ul>
<b>WS4 - Economic Model and Funding</b>	<ul style="list-style-type: none"> <li>• <b>Workstream Initiation:</b> Workstream activities on hold until further development of WS1, WS2 and WS3</li> <li>• <b>Approach and Plan:</b> Plan to be formulated after initial development of WS1, WS2 and WS3</li> </ul>

**Glossary:**

**CBA:** Cost Benefit Analysis

**WS:** Workstream

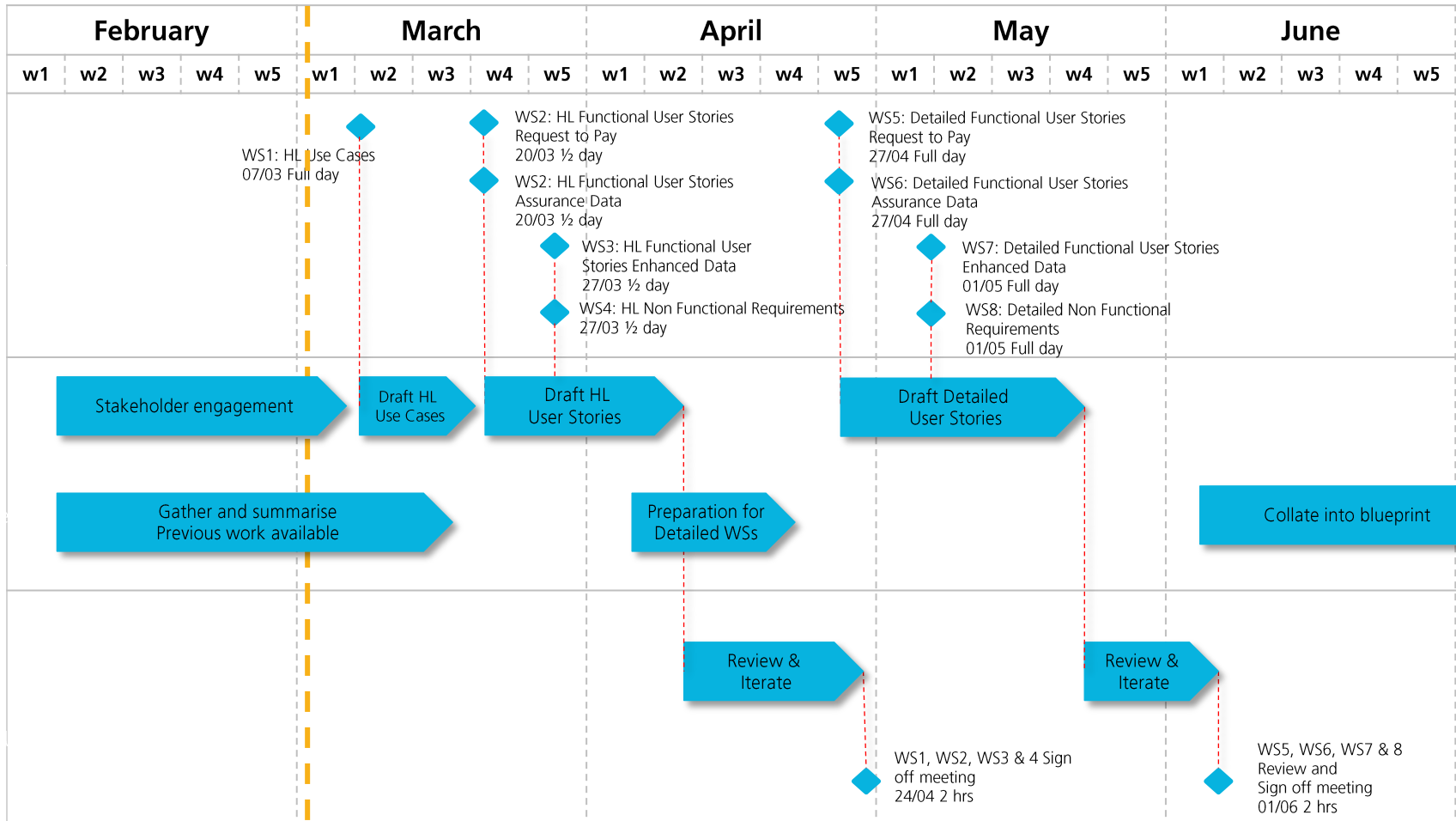
# Key next steps for NPA

## Key Next Steps

1. Further develop detailed plans with Workstream Leads
2. Develop detailed resourcing plans with Workstream Leads
3. Finalise dependencies and interlocks between each Workstream, with regular alignment sessions
4. Enhance the Artefact map with interlocks and dependencies
5. Identify gaps between Workstreams (requirements, design, etc.) and formulate mitigating process/actions
6. Agree Blueprint definition with Working Group and Forum
7. Finalise the scope of the Pilot

# Workstream 1: User Requirements / Rules

## High level plan (agreed with Workstream leads)

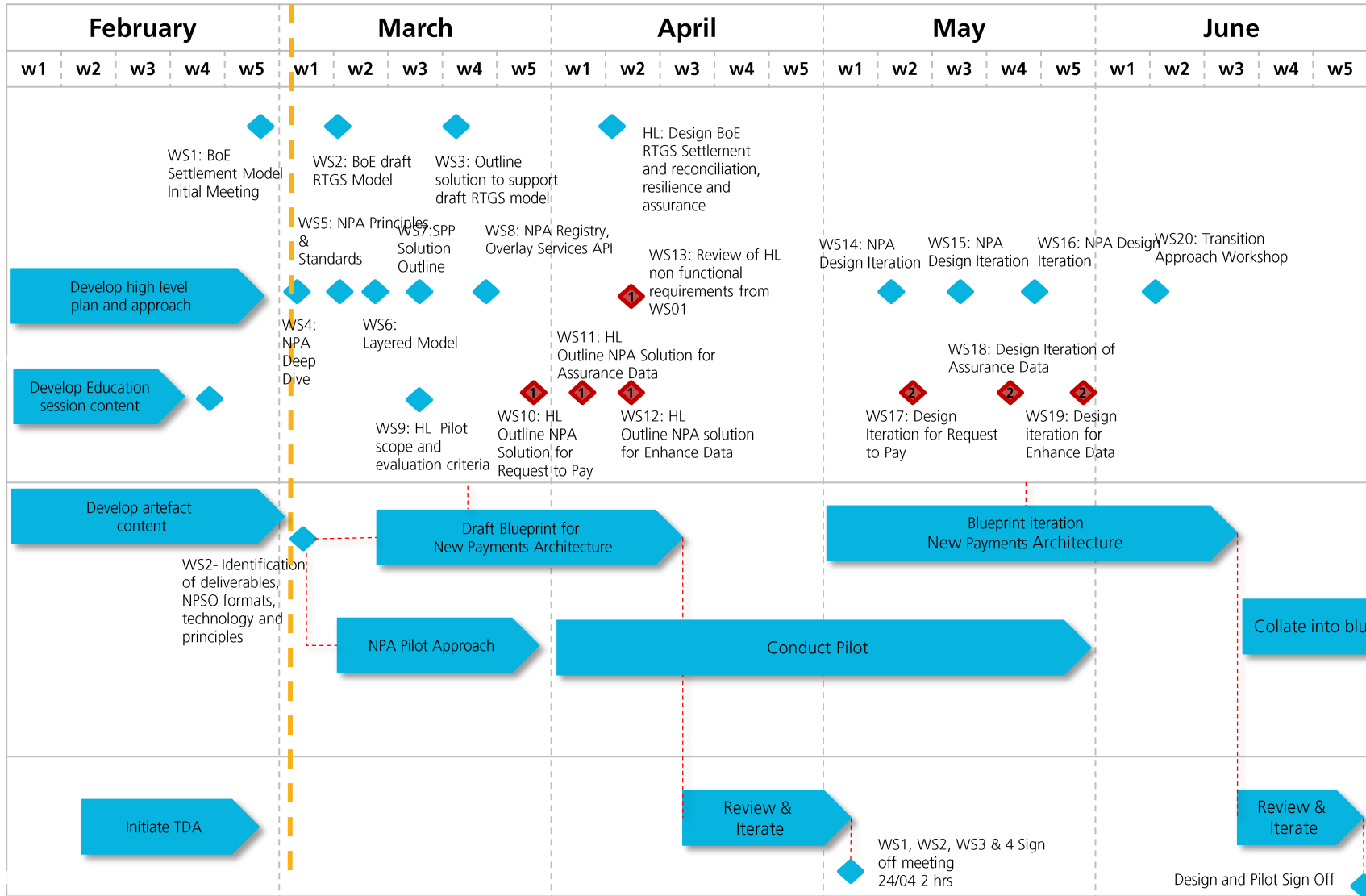


\*WS: Workshop  
\*HL: High Level

1 March

# Workstream 2: Design and Transition

## High level plan (to be agreed with Workstream leads)



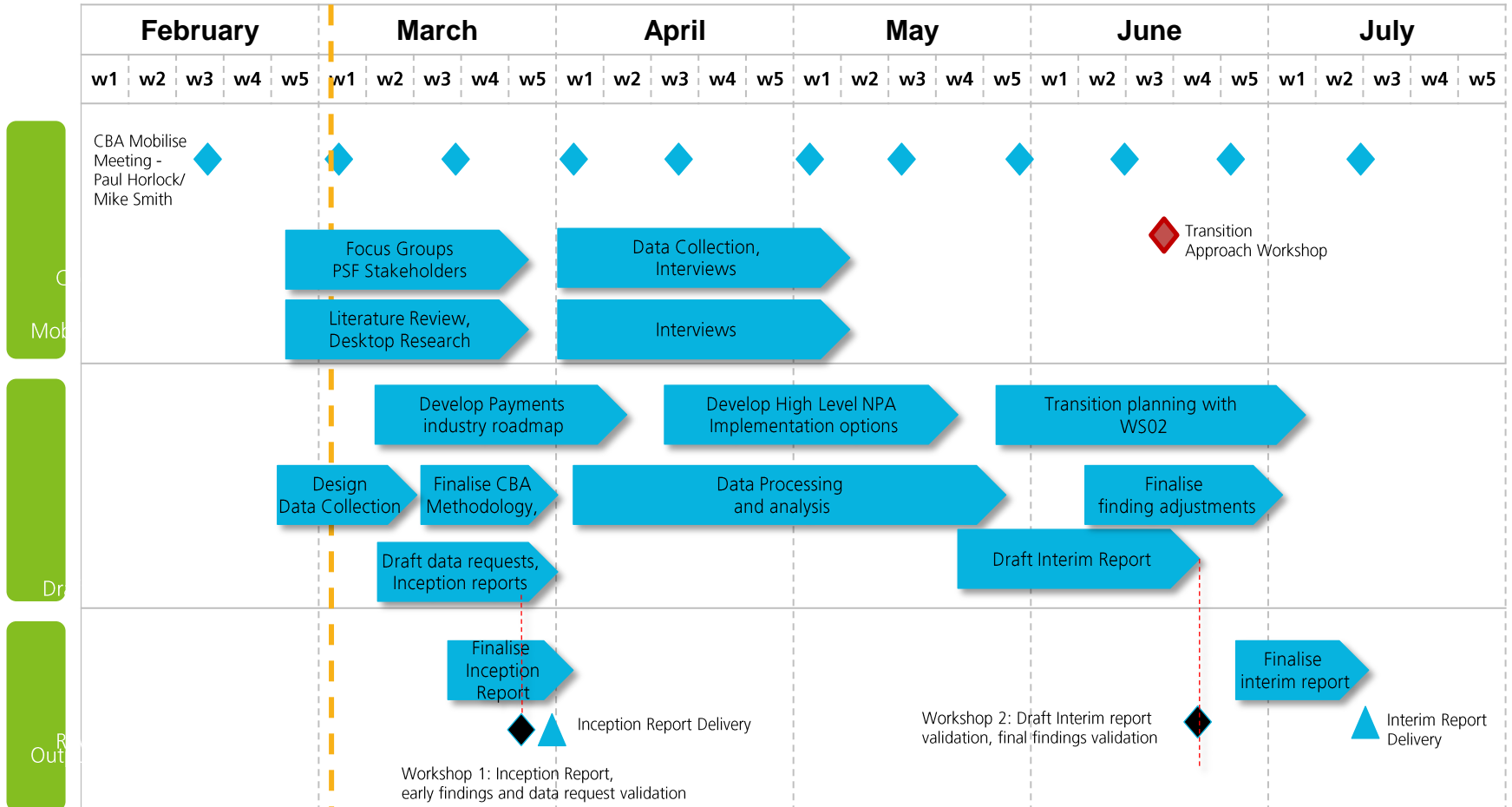
\*WSn : Workshop Number n  
\*HL: High Level

1 Dependent on completion of WS01 HL user stories

2 Dependent on completion of WS01 detailed user stories

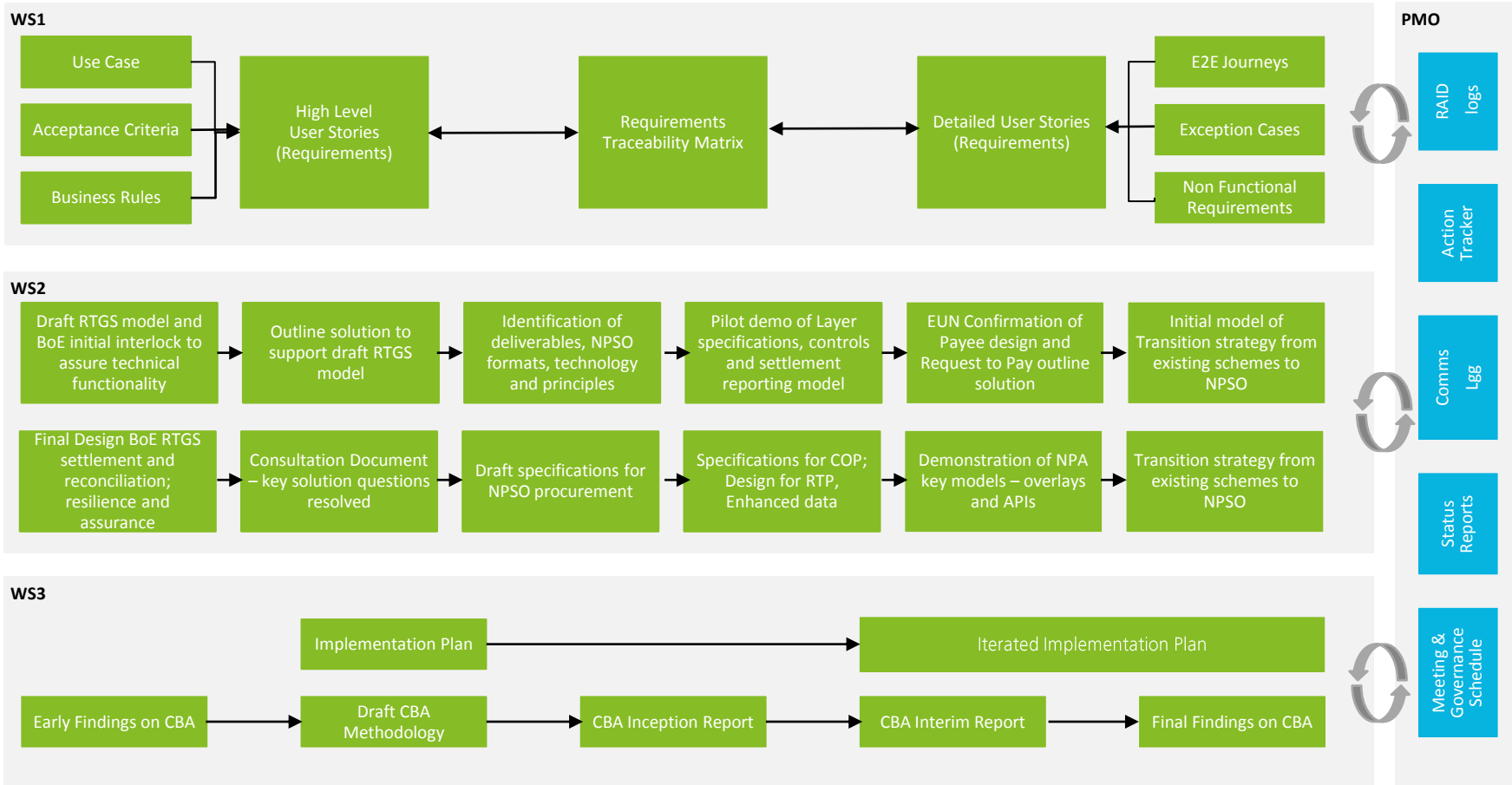
# Workstream 3: CBA

## High level plan (to be agreed with Workstream leads)



◆ Working Group meetings  
1 March

# The artefact map recognises the linkage and traceability between the specified deliverables

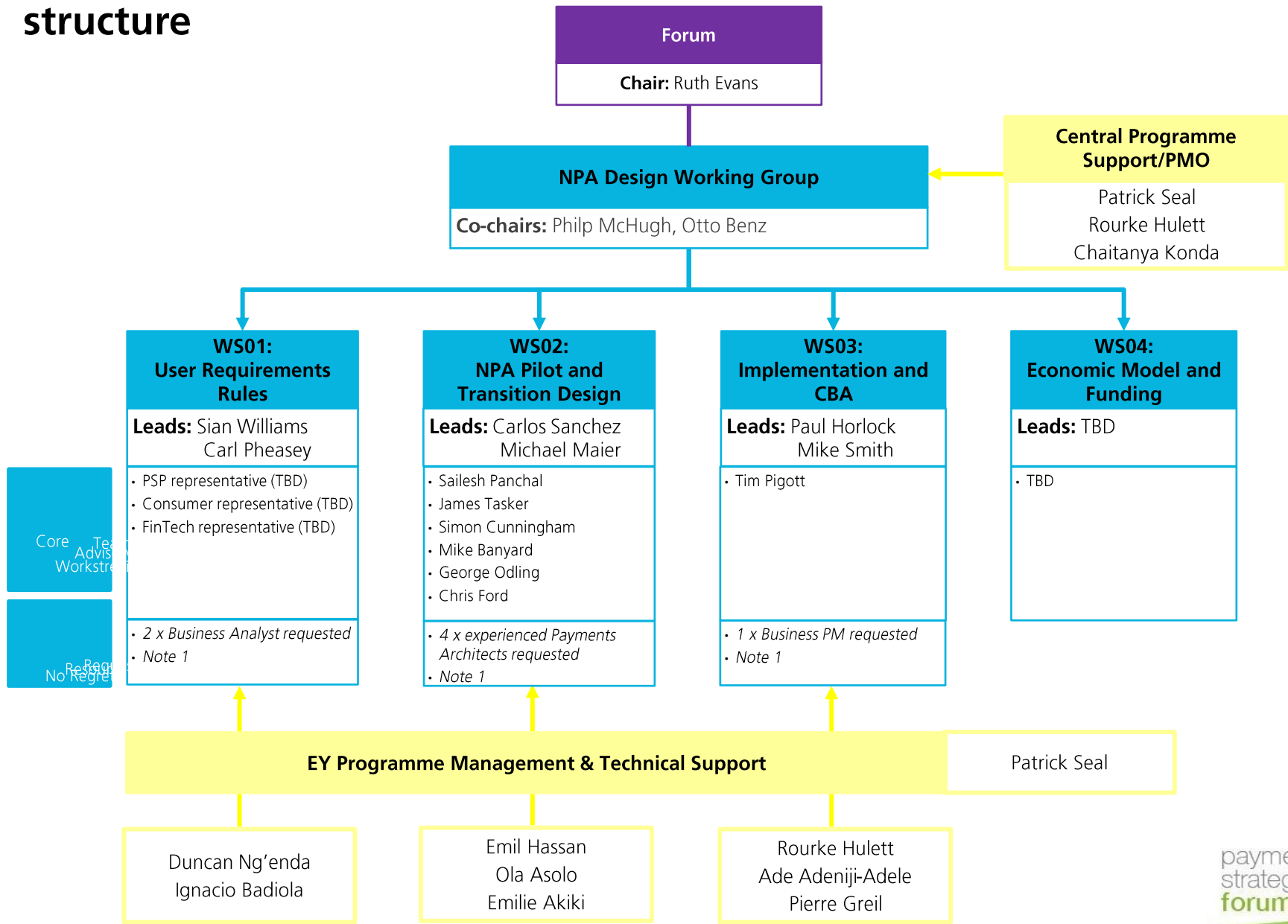


# Update on Principle Risks

## Key risks for progress of the NPA Design Hub

Principle Risk	Mitigating Actions
Lack of available resourcing delaying production of NPA Blueprint	<ul style="list-style-type: none"> <li>• EY engaged and detailed resource planning underway</li> <li>• Community Engagement Framework issued to request resources from community</li> <li>• Immediate “no regrets” resourcing approved by Working Group and being sourced through Payments UK</li> </ul>
Stakeholder disagreement leading to delay in direction and content of workstreams leading to lack of agreement on blueprint	<ul style="list-style-type: none"> <li>• Workstream structure and leads in place (WS1, WS2, WS3)</li> <li>• Community Engagement Framework has been agreed and deployed</li> <li>• Stakeholder education sessions planned and underway</li> </ul>
Lack of buy-in from PSOs on output, leading to lack of take-up of blueprint	<ul style="list-style-type: none"> <li>• PSOs are actively engaged in the following:               <ul style="list-style-type: none"> <li>• Workstream 1 investigation of existing intellectual capital</li> <li>• Workstream 2 TDA</li> <li>• Workstream 2 education sessions</li> </ul> </li> </ul>
NPA Design Hub doesn't complete the necessary clearing and settlement definition work, in line with the Bank of England's RTGS review timing	<ul style="list-style-type: none"> <li>• Bank of England are actively engaged:               <ul style="list-style-type: none"> <li>• Attended 16<sup>th</sup> February Design education session</li> <li>• Involved in Workstream 2 TDA</li> <li>• Meeting scheduled for end of February</li> </ul> </li> </ul>

# NPA detailed organisation structure



Note 1: Resources have also been requested from Payments Community



# Discussion and Questions