



Department for  
Business, Energy  
& Industrial Strategy

# BUSINESS IMPACT TARGET: SUMMARY

Non-qualifying Regulatory Provisions  
(NQRPs) summary reporting

**Regulator:** Payments Systems Regulator (PSR)

**Business Impact Target Reporting Period Covered:** 17 Dec 2020 to 16 Dec 2021

| Excluded Category*  | Summary of measure(s), including any impact data where available**  |
|---|---|
| Measures certified as being below <i>de minimis</i> (measures with an EANDCB below +/- £5 million)  | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| <i>EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement</i> | N/A   |
| <i>Measures certified as concerning EU Withdrawal Bill operability measures</i>   | N/A   |
| Pro-competition   | <p><b>Card Acquiring Services</b><br/>Following concerns raised by stakeholders that the supply of the Card Acquiring Services may not be working well for merchants and, ultimately, consumers we launched a market review in 2018 and published our final report in November 2021. We will be consulting further on specific remedies to improve the supply of card-acquiring services to, particularly smaller, merchants during the course of 2022.</p> <p><b>New Payments Architecture (NPA)</b></p> <ul style="list-style-type: none"> <li>• We are putting in place a regulatory framework for NPA central infrastructure services (CIS). The NPA is the industry's proposed way of organising the clearing and settlement of most interbank payments in the future, including those that currently use Bacs and Faster Payments. The framework aims to reduce the ability and incentive of a monopoly CIS provider to act in ways that distort competition or stifle innovation to the detriment of people and businesses.</li> <li>• On the NPA programme we published a consultation followed by a policy statement and will make final amendments to SD2 and SD3. We have worked to seek assurance from Pay.UK that the NPA Programme will deliver outcomes that align with our objectives.</li> </ul> |
| Systemic Financial Risk   | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| Civil Emergencies   | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| Fines and Penalties   | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| Misuse of Drugs   | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| Measures certified as relating to the safety of tenants, residents and occupants in response to the Grenfell tragedy  | Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.  |
| Casework  | <b>General and Specific Directions and Payment Account Regulations 2015</b>   |

| Excluded Category*                      | Summary of measure(s), including any impact data where available**  |
|---|---|
|   | <p>PSR undertook reporting activity for the regulated payment systems and banks against the applicable General and Specific Directions as well as the Payment Account Regulations 2015.</p> <p><b>Enforcement investigations</b><br/>The PSR has been actively progressing its enforcement investigations opened in 2018/19 and in 2020.</p> <p><b>Competition Act 1998</b><br/>PSR has continued work on its first Competition Act 1998 investigation</p>  |
| Education, communications and promotion | <p>PSR undertook communications and stakeholder management activity as part of fulfilling its role, and in relation to particular projects, including holding stakeholder meetings, workshop and publishing information. None of the information produced created any new regulatory standards that business will be expected to follow.</p>  |
| Activity related to policy development  | <p><b>Authorised Push Payment scams</b><br/>We consulted on three measures that we believed could help reduce scam losses and broaden protection against scams across customers. We will report on the business impact of any regulatory requirements resulting from the consultation when they happen.</p> <p><b>Confirmation of Payee (CoP)</b><br/>We undertook a call for views to outline our analysis of the impact of CoP Phase 1 and set out potential policy options to enhance the service and increase implementation by a greater number of PSPs. We also consulted on a proposed direction to end the dual running of Phase 1 and Phase 2 domain.</p> <p><b>Consumer protection for interbank payments</b><br/>The PSR undertook a call for views on consumer protection for interbank payments. The call for views asked for input on whether the current level consumer protection for interbank payments remains fit for purpose. This was followed up by a policy statement which sets out that we do not propose to intervene at this stage, but nevertheless expect the level of protection continues to be matched to the potential level of harm arising from a payment.</p> <p><b>Interchange Fee Regulation (IFR) and Second EU Payment Services Directive (PSD2)</b><br/>PSR has been actively monitoring compliance with the IFR and the parts of PSD2 that the PSR is responsible for.</p> <p><b>Access to cash</b><br/>SD8, which committed LINK to maintain a broad geographic spread of free-to-use ATMs, expires in January 2022 and the PSR recently consulted on whether this should be replaced by a new direction with a similar objective. The PSR will decide on whether to issue the new direction when the consultation ends in November 2022</p> |
| Changes to management of regulator      | <p>Natalie Timan appointed as Head of Strategy Analysis and Monitoring.</p>   |

\* For detailed guidance on the exclusion categories, please see

<https://www.gov.uk/government/publications/better-regulation-framework>

\*\* Complete the summary box as 'Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.' where this is appropriate.