

Delivery of the NPA

Webinar
10 March 2021

Agenda for today's workshop

- 1 Opening remarks
- 2 Overview of options for de-risking NPA delivery
- 3 Q&A
- 4 Wrap up

Presentation: Overview of options for de-risking NPA delivery

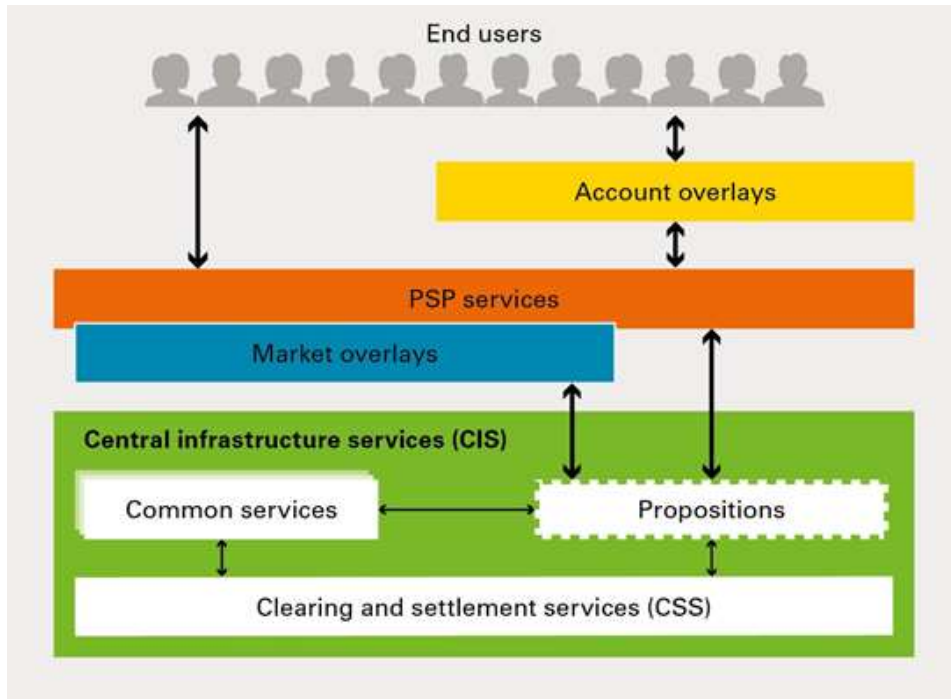
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 - Approach to procurement (slide 10)
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Summary

- The NPA has the potential to deliver significant benefits to consumers and businesses
- But we think that the NPA programme currently has an unacceptably high level of risk
- We consider that phasing the procurement of NPA central infrastructure services (CIS) would help to lower risk
- We're also seeking views on the approach to securing the CIS contract

Overview of the NPA



PSR simplified representation of Pay.UK's current conceptual design of the NPA

- The Payments Strategy Forum proposed the New Payments Architecture (NPA)
- The industry envisages the NPA will replace Bacs and Faster Payments
- It has the potential to deliver significant benefits to consumers and businesses
- Pay.UK is responsible for delivery of the NPA

Our aim

- We want to ensure that the NPA is resilient, secure and promotes competition, innovation and the interests of service-users
- We are concerned that there are unacceptably high risks that the NPA programme will:
 - not provide value-for money
 - stifle competition and innovation in payment services
 - delay realisation of the benefits of the NPA

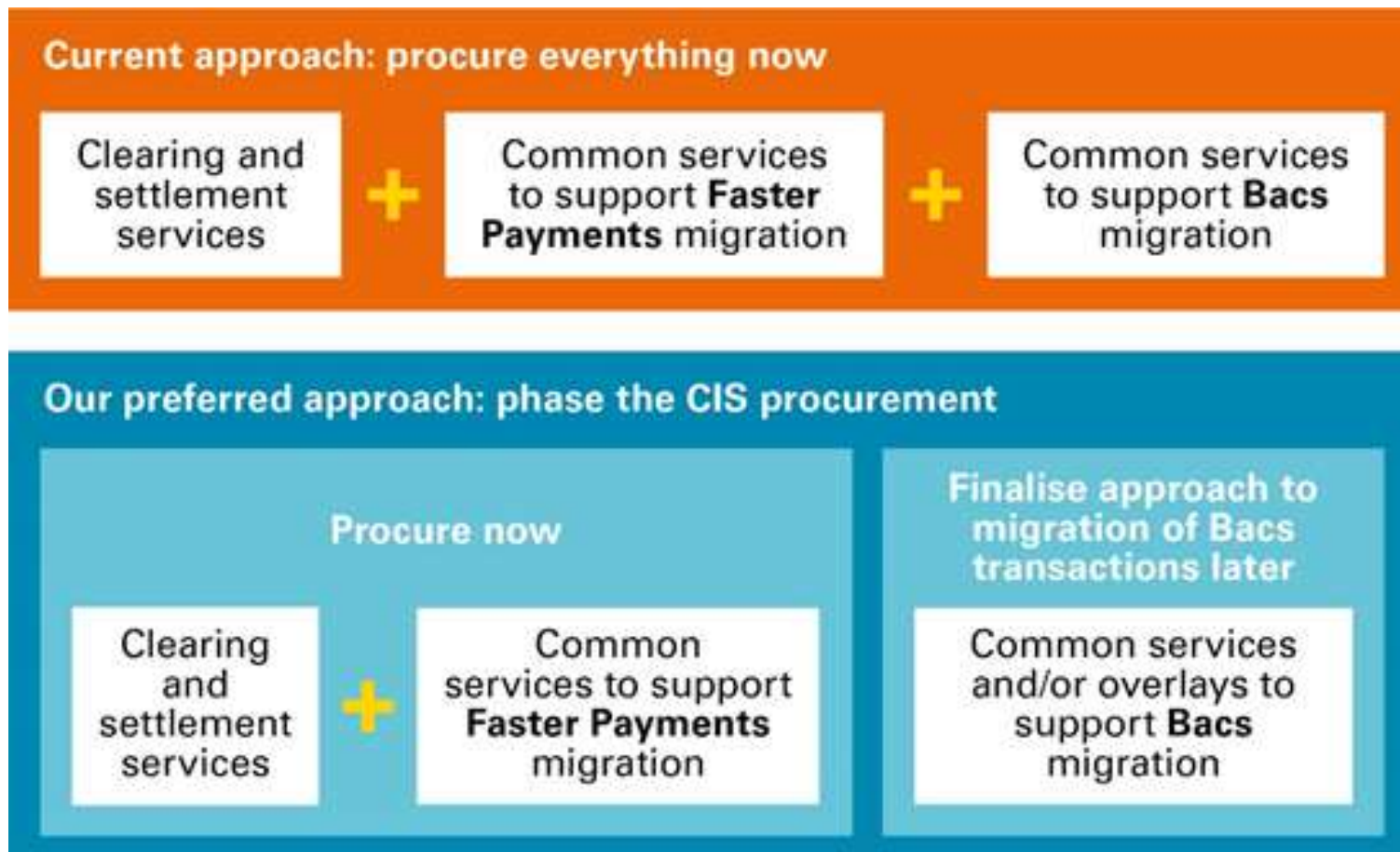
We want to explore options for de-risking the NPA programme

Purpose of the consultation paper

- We're looking to start a dialogue with stakeholders to find an effective way forward
- Through the consultation paper we identify two ways of de-risking the NPA programme:
 - phasing the procurement of the CIS
 - reconsidering the approach to contracting for delivery of these services

Responses will inform what action, if any, we take to reduce risks

Phased procurement



Approach to procurement

- We are seeking views on three options for the procurement of CIS by Pay.UK:
 - continue with the existing competitive procurement process
 - start a new competitive procurement process
 - directly negotiate with Vocalink without a competitive procurement
- Each option has risks and benefits

Next steps

- Responses requested by 19 March
- Consultation paper with firm proposals in Q3
- Policy statement in Q4

Thank you