# **Consultation Questionnaire**

This template is intended to help stakeholders respond to the questions set out in our consultation document and in its supporting papers.

Responses should be emailed to us at Forum@psr.org.uk in PDF format by no later than 22 September 2017. Any questions about our consultation can also be sent to Forum@psr.org.uk

Whilst we welcome feedback from any participant on any question, not all guestions in this consultation will be relevant to the wide range of stakeholders in the Payments Community. We have sign posted the questions to clarify which are most relevant for your organisations, and where we would most value your feedback.

Thank you in advance for your contribution to this consultation process.

#### **Basic Details**

Consultation title	NPA
Name of respondent	Naomi McCombie
Contact details / job title	Operations Director
Representing (self or organisation/s)	The Ely Fitness Company Ltd
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#### Responding to the consultation and publication of responses

Subject to express requests for confidentiality, please note that we will publish views or submissions in full or in part. In responding, we therefore ask you to minimise elements of your submissions which you want to be treated as confidential. Where you do submit both confidential and non-confidential material, you should submit a nonconfidential version, which you consent for us to publish, marked 'for publication' and another version marked 'confidential'.

In responding to this consultation, you are sharing your response with the Forum secretariat (1). Confidential information provided in these circumstances is confidential within the meaning of FSBRA and it is a criminal offence to disclose it without requisite authority (2).

- (1) The Forum secretariat work for the Payment Systems Regulator Limited, 'the PSR', and are considered primary recipients for the purposes of the Financial Services (Banking Reform) Act 2013 (FSBRA).
- (2) The PSR has the power to disclose confidential information in certain circumstances for the purposes of facilitating its functions and may impose conditions on the use of that information.

#### **Declaration**

I confirm that our response supplied with this cover sheet is a formal consultation response that the Forum can publish, unless it is clearly marked 'confidential'.

#### Naomi McCombie

#### **1.0 A New Payments Architecture**

will impact small SME's and their cashflow.

Question 1.1 — Consumers — PSPs — Corporates — Govt. — Vendors
Do you agree with our recommendation to move towards a 'push' payment mechanism for all payment types?
Yes ○ No ●
If not, please explain why.
We rely on having a regular income at regular intervals which allows us to predict our cashflow and budget going forward. I feel asking people to pay will not only impact our cashflow but our costs will increase as more staff will be required to manage this system, credit control and debt will also increase. Something a small SME like us can do without.
Question 1.2
In the proposed transition approach it is expected that Third Party Service Providers including current independent software providers, bureaux and gateway providers will update their systems to enable existing payment formats to continue to operate with no or limited negative impact on the current users of services such as Direct Debit.
As a PSP or TPSP, do you agree we have identified the implications of adopting a push model adequately?
Yes O No O
If not, please set out any additional impacts that need to be considered.
Question 1.3 — Consumers — PSPs — Corporates Govt. — Vendors — SMEs
As a potential vendor, participant or user of the NPA, are there any other design considerations that should be included in the NPA, especiall with regards to considering the needs of end-users?
Yes   No
If ves. please provide a description of those areas and why they are important to explore.

Rather than scrapping Directs Debits as we know it, look at streamlining that system rather than creating a whole new one that

If so, how?

A signed DD mandate gives the payee visibility as does a BACS report. An ARUDDS also gives us visibility to what is not going to be paid. Why change something that has worked for many years? Our cashflow will be greatly affected by asking for a payer to approve a payment first and being allowed to choose when they pay.

Question 2.3 Govt. SMEs
Request to Pay will result in increased communication between the payee and the payer. As a payee:  a. Would the increased communication present a challenge?
Yes   No
If so, in what way?
Our costs will increase as we would need to emply someone to deal with system and the communications expected. People are already inundated with comms via email, social media etc. It will just be another email that will be ignored, sent to spam or blocked.
b. What benefits could you envisage from this increased communication?
None that I can think of, just more emails/paper being used and abused.
c. Do you see any additional potential benefits resulting from Request to Pay other than those described?
Yes ○ No ●
If so, which ones?
Question 2.4 Govt. SMEs
We have recommended the minimum information that should be contained in a Request to Pay message. As a payee:  a. With the exception of reference ID, are you able to provide other items of information with every payment request?
Yes ○ No ●
b. Is there additional information, specific to your business, that you would have to provide to payers as part of the Request to Pay message?  Yes  No

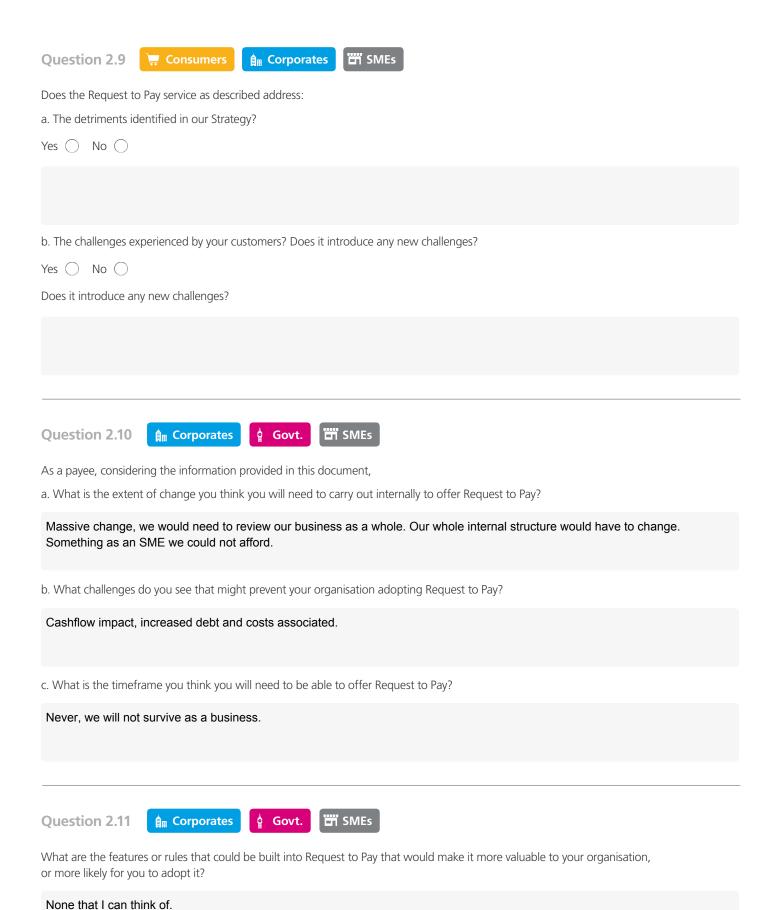
Question 2.5 Govt. Govt.
We envisage payees stipulating a payment period during which the payer will be required to make the payment. As a payee, how do you think this payment period might be applied within your organisation?
As a members only club, payments are collected per calendar month in advance so the payment period would need to be very short. To prevent unpaid usage of our facilities.
Question 2.6 Corporates Govt. SMEs
Request to Pay will offer payers flexibility over payment time as well as amount and method. As a payee:
a. Does your business model support offering payment plans and the ability for payers to spread their payments?
Yes ○ No ●
If so, please provide more details as to how these plans are offered, their conditions and to which customers.
b. Do you have a predominant payment method used by your payers?
Yes   No
If so, what percentage of customers use it?
90% are dreict debit
c. Do you offer your payers a choice of payment methods?
Yes   No
If yes, what determines how much choice you offer? If not, what are the barriers preventing you from doing this?
The choice is the members, either a Paid in Full Option (Cash or Card) or monthly Direct Debits. The cost of the collection determines our provision.  Direct debit gives us a regualr cashflow.
d. Are there any incentives to use one payment method over another?
Yes ○ No ●
If so, what is the rationale?

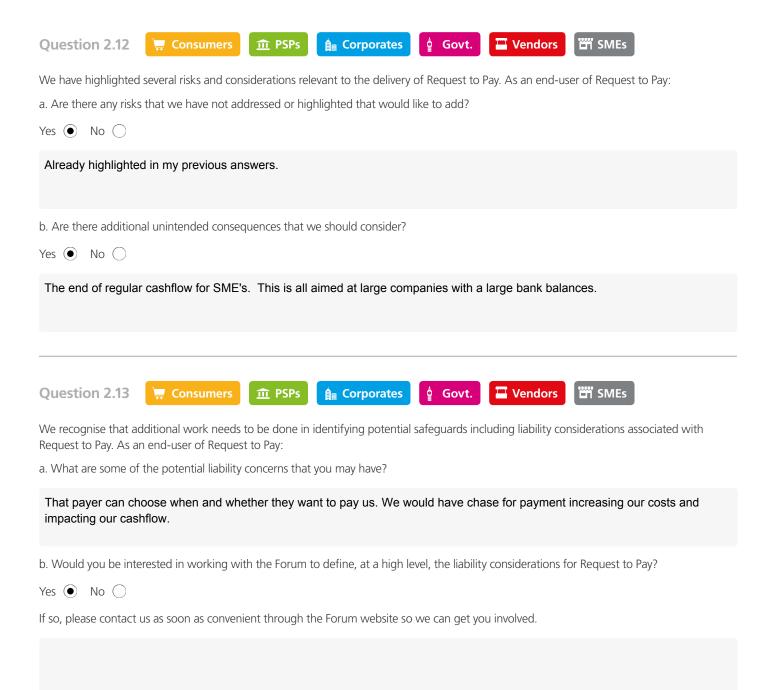
Direct debit is, for us, a cost effective method of monetary collections and a regualr income source. Allowing a payer to decide that they wish to pay using another method or declining a request will see our costs rise as we deal with delayed payments, increased bad debt and our income fluctuate.

b. Do you have any concerns about providing this capability?

Yes 

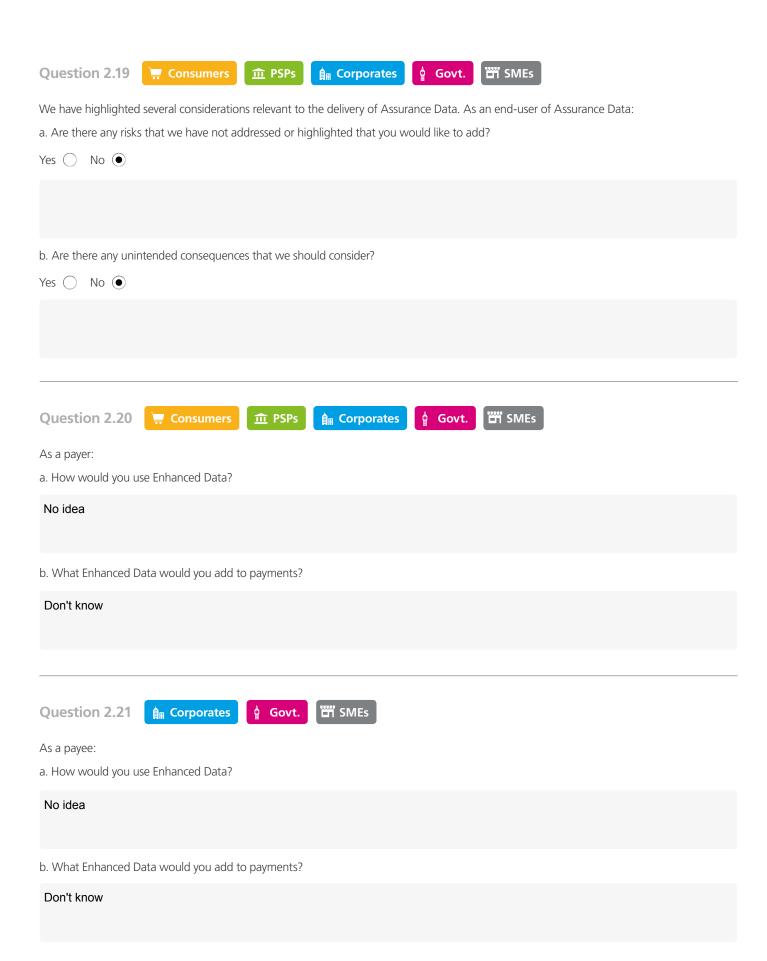
No

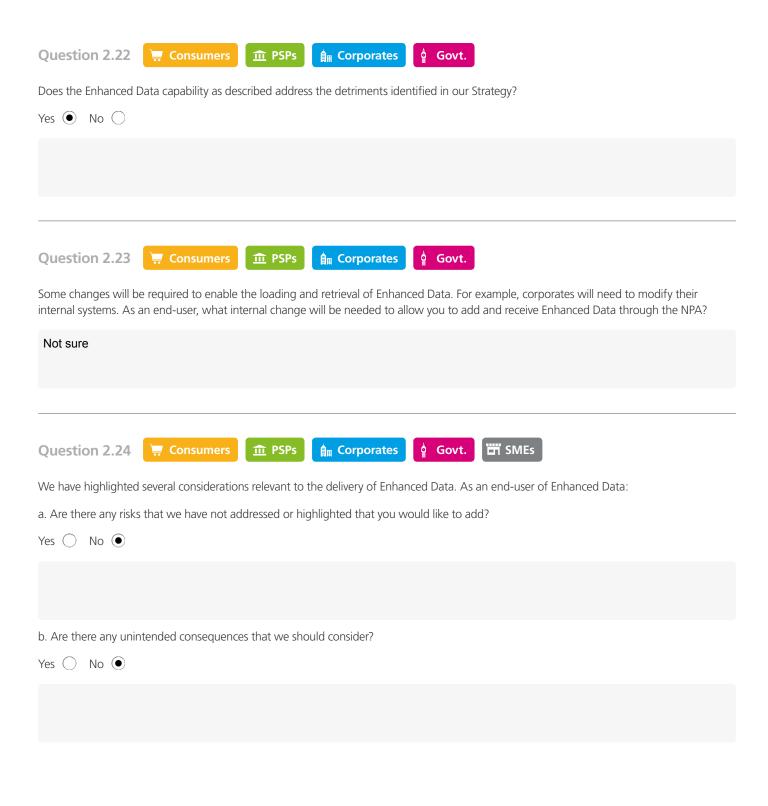




Question 2.14
As a PSP:  Do you currently offer real-time balance information to your clients?  Yes  No  What information do you offer them? If not, what are the constraints?
As we collect our directs debits once a month, there is only ever 1 month of arrears.
Question 2.15
We have presented two CoP response approaches (Approach 1 and Approach 2).
a. As a payer, what would be your preferred approach? Why?
1 -simpler.
b. As a PSP, what would be your preferred approach? Why?
c. As a regulator,
I. What are applicable considerations that must be made for each approach?
II. What safeguards must be put in place for each approach?

Question 2.16
As a PSP:
a. Would you be able to offer CoP as described to your customers?
Yes No No
b. What is the extent of change that you would need to carry out internally to offer CoP?
Question 2.17
The successful delivery of CoP is largely dependent on universal acceptance by all PSPs to provide payee information. As a PSP:
a. Would you participate in a CoP service?
Yes No No
b. Are there any constraints that would hinder you providing this service?
Yes No No
Question 2.18
The NPA will fully support the functionality for PSPs to provide payment status and tracking.  a. As a PSP, what is the extent of change you think you will need to carry out internally to offer Payments Status Tracking?
b. What challenges do you see that might prevent your organisation adopting Payments Status Tracking?





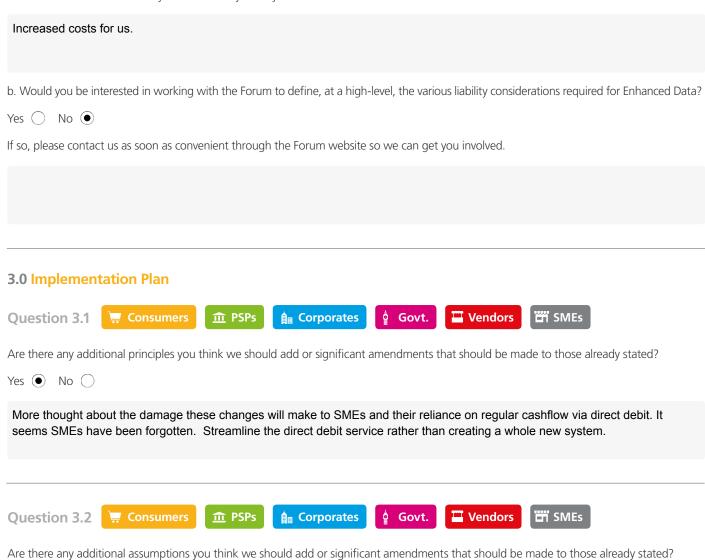
Yes 

No

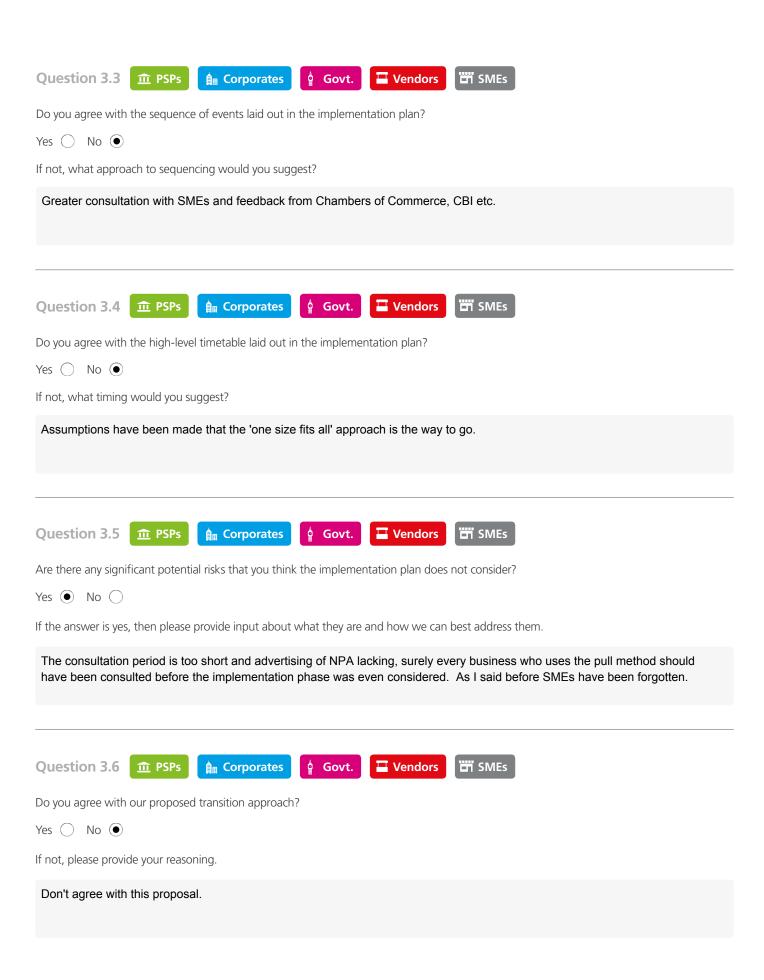


We recognise that additional work needs to be done in identifying safeguards including liability considerations associated with Enhanced Data. As an end-user of Enhanced Data:

a. What are some of the liability concerns that you may have?



That SMEs will not survive by removing the pull method of direct debit. Streamline the direct debit service rather than creating a whole new system



#### 4.0 Cost Benefit Analysis of the NPA

Question 4.1	t. Vendors SMEs Investors
Are there any material quantifiable benefits that have not been	included?
Yes ○ No •	
If so, please provide details.	
Question 4.2	t. Vendors SMEs Investors
Do you agree with the cost assumptions with regards to the NPA Assurance Data)?	A and each of the overlay services (Request to Pay, Enhanced Data,
Yes ○ No •	
If not, please state your reasons and, if possible, suggest alterna	tives analysis.
Cost assumptions for who?	
Question 4.3	t. Vendors SMEs Investors
Do you agree with our description of the alternative minimum u	pgrade?
Yes ○ No •	
If not, please explain your reasoning.	
Because I don't agree with this proposal.	

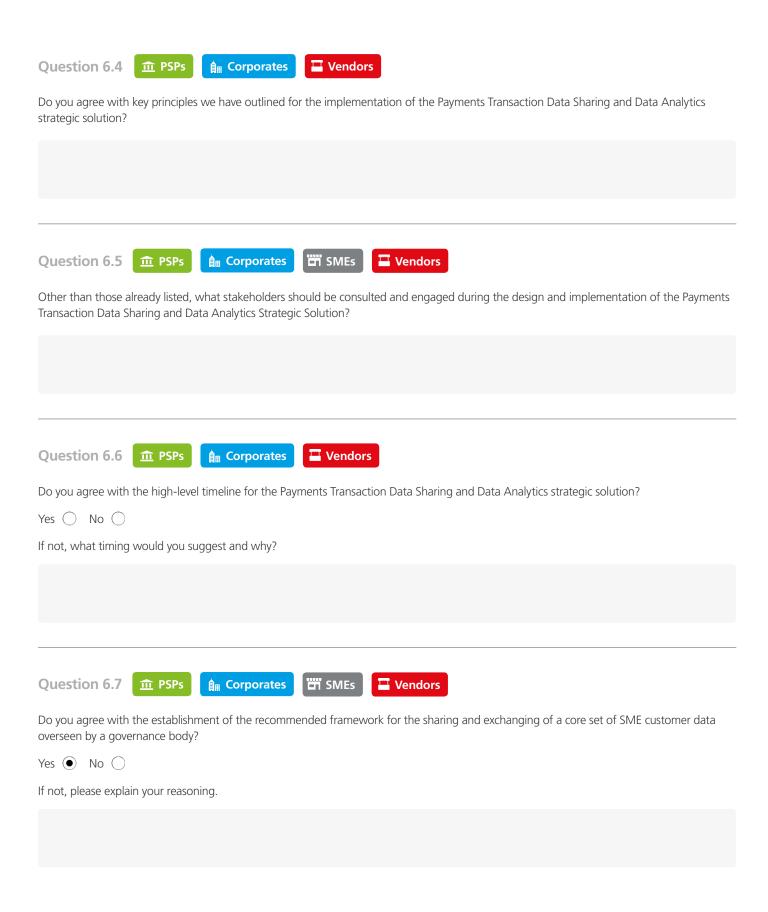
### **5.0 NPA Commercial Approach and Economic Models**

Question 5.1
Does our competition framework adequately capture the types of competition that may exist in payments?
Yes O No O
Please explain.
Question 5.2
Do you agree with the NPA competition categories described? If not, please explain why.
Yes O No O
Question 5.3
Does our framework capture the dynamic roles the NPSO may play in the market?
Yes O No O
Question 5.4
Are there any other important criteria that we should use to assess the funding options we have identified?
Yes O No O

Question 5.5 🔔 Investors
Do you agree with our NPA competition assessment? If not, please explain why.  Yes  No
Question 5.6
Do you agree with our assessment of End-User Needs Solutions? If not, please explain why.
Yes O No O
Question 5.7 The PSPs
Do you agree with our list of funding stakeholders? If not, please explain why.
Yes O No O
Question 5.8
Are there other significant sources of funding or types of funding instruments the NSPO could secure that have not been described? If not please explain why.
Yes O No O

#### **6.0 Improving Trust in Payments**

Question 6.1
Do you agree with the outlined participant categories identified for the Payments Transaction Data Sharing and Data Analytics strategic solution?
Yes O No O
Are there other categories that should be considered for inclusion?
Yes O No O
Please explain your response.
Question 6.2
What is your opinion on the role non-payments industry participants should have as part of the Payments Transaction Data Sharing and Data Analytics strategic solution? (This could include Government, Law Enforcement, or others). If appropriate, please outline usage of the system, provision of data to the system, and legal considerations for participation.
Question 6.3
Do you agree with the potential use cases outlined for the Payments Transaction Data Sharing and Data Analytics strategic solution?
Yes O No O
If not, please provide your reasoning. Please indicate if there are other potential uses for the system that should be considered.



the governance body to have oversight over?

## Question 6.8 **Corporates** We are keen to get your input on the benefits provided by the framework. a. Do you agree that the focus on sharing a core set of SME customer data is beneficial for the KYC processes in your organisation? Yes \( \) No \( \) If not, please explain your reasoning. b. Which other business activities could be supported by / benefit from the described sharing and exchanging a core set of SME customer data? Question 6.9 **Ⅲ** PSPs **An Corporates** SMEs Vendors Do you agree that the topics covered by the standards will provide sufficient guidance in order to implement the data sharing framework without being too prescriptive? Yes No Are there additional topics you believe should be included? Question 6.10 n PSPs SMEs **≜** Corporates Vendors To engender trust in the sharing and exchanging of a core set of SME customer data, are there other responsibilities you would expect

Question 6.15  Corporates
Are the arguments put forward compelling enough to encourage net data providers to engage?
Yes O No O
If not, please provide examples of what else would be required to make them participate.
Question 6.16
Do you see other advantages or challenges for net data consumers that were not listed above?
Yes O No O
Please explain your answer.
Question 6.17
Question 6.17
Do you agree with the high-level implementation timeline for the Trusted KYC Data Sharing solution?
Yes No No
If not, what timing would you suggest and why?
Question 6.18 n PSPs n Corporates
Question 6.18
Are there other initiatives with a similar focus that should be considered in order to deliver the Trusted KYC Data Sharing solution?

Save Questionnaire\*

<sup>\*</sup> Please save your questionnaire and email to us at <a href="mailto:Forum@psr.org.uk">Forum@psr.org.uk</a> in PDF format by no later than 22 September 2017.