Payments Community Update

Payments Community Roundtables – May 2016

In May the Payment Systems Regulator successfully held the third series of Payments Community roundtables. More than 70 organisations representing end-users; infrastructure and technology providers; and Payment Service Providers attended the sessions over the two days.

The purpose was to provide the Community a final opportunity to directly engage with the Forum and its Working Groups ahead of the publication of the draft strategy and to encourage attendance at the 2nd Payments Community Event.

Representatives from each Working Group were asked to provide an update on the emerging solutions agreed in principle and prioritised at the April Forum.   The supporting slides can be found here.   Discussions focussed on:

1. The solutions identified to simplify access to markets in the short to medium term
2. The Simplified Payments Platform
3. Financial crime; security and data
4. End user needs

The Community remain positive about the work of the Forum but are keen to see the draft strategy and are seeking clarity on how / when the solutions will be implemented.

As anticipated the Simplified Payments Platform generated the most discussion. Annex 1 provides a summary of the key points. These have already been shared off-line with the Editorial Teams for their consideration.

Call to Action

> The Forum is requested to **consider** this update ahead of the update from the editorial teams

Annex 1 – Key points:

1. Simplified Payments Platform

- What are the implementation timeframes and costs / benefits both for the full solution and the proposed transitional stages?
- The Forum needs to be clear on the transitional risk from current state to future state
- Is the simplified payment platform the only solution available to address the detriments; could implementing a SEPA CSM type model achieve the same ends?
- When and how will the customer requirements identified by the End User Needs Working Group be met?
- Will this solution displace existing products liked by end users, e.g. Direct Debits, and effectively force users to use additional services they might not need or want, e.g. Richer Data?
- What is the impact on competition at the Infrastructure Layer?
- How does the proposed solution align with or impact the PSR's proposed Infrastructure Market Review remedies?

2. Financial Crime; Security and Data

- What are the implementation timeframes and costs?
- The Forum need to consider and be aware of the legal / data privacy implications of sharing and analysing data
- The Forum needs to consider the challenges of implementing the proposed solutions when the stakeholders are multi-national and multi-regulatory

3. End User Needs

- As per the 'Simplified Payments Platform' the Payments Community is keen that the End User Needs requirements are met before the full solution is implemented
- Still some concerns that the requirements identified are still too focussed on the individual end users and not retail / corporate
- Keen that the proposed solutions don't force migration from one product to another and that user choice is key
- Supportive of the Financial Capability principles identified by the End User Needs Working Group.