

Specific Direction 11a (Closure of initial technical environment for Confirmation of Payee – variation of deadlines)

May 2022

Specific Direction 11a: Variation of deadlines

1 Recitals

Whereas:

- 1.1** Specific Direction 11:
- a. requires Pay.UK to ensure the closure of the initial CoP technical environment on 31 May 2022 and provide an end point for the first phase of CoP
 - b. requires the initial CoP participants to provide regular reports to Pay.UK, which Pay.UK must transmit to the PSR, on work towards completing migration by 1 May 2022, in order to monitor their progress
 - c. provides that if the PSR considers there is a significant risk that an initial CoP participant will fail to migrate by 1 May 2022, an initial CoP participant must implement a remediation plan to ensure timely migration
 - d. revokes Specific Direction 10 at midnight on 31 May 2022
- 1.2** Some PSPs subject to Specific Direction 11 have encountered technical issues in building the capability to send and respond to CoP requests in the CoP domain (within the meaning of Specific Direction 11).
- 1.3** The PSR has decided to vary Specific Direction 11 to provide additional time to move CoP services from the initial environment to the CoP domain. This is being done with regard to the potential for disruption to CoP services that may be caused if the initial CoP technical environment is switched off on 31 May 2022 to meet the current requirements of Specific Direction 11, with the potential for customers to be at an increased risk of fraud. The new switch-off date of the initial environment is now 30 June 2022, which the PSR considers will provide sufficient time for the technical issues to be resolved.
- 1.4** In light of that change, the PSR also considers that the revocation of Specific Direction 10 should now happen on 30 June 2022, rather than 31 May 2022.

2 Powers exercised and purpose

- 2.1** Faster Payments and CHAPS are designated by the Treasury under section 43 of the Financial Services (Banking Reform) Act 2013 (the Act) for the purposes of Part 5 of the Act.

- 2.2** The PSR makes this direction in accordance with section 54 (Regulatory and competition functions – directions) of the Act. In accordance with section 54(3)(c), this direction applies to persons of a specified description.

Direction

NOW the PSR gives the following specific direction to:

- a. **Pay.UK**
- b. **each initial CoP participant¹**

3 Variation of Specific Direction 11

3.1 In the following paragraphs of Specific Direction 11, replace '1 May 2022' and '31 May 2022' with '30 June 2022':

- 3.1e (definition of 'initial CoP participant')
- 3.1i (definition of 'switchover')
- 4.2 (Pay.UK to ensure certain outcomes)
- 4.4 (obligation on an initial CoP participant)
- 7.1 (revocation of Specific Direction 10)

3.2 After paragraph 6.2 of Specific Direction 11, insert:

'6.3 Any PSP subject to a remediation plan on the date Specific Direction 11a comes into force must (in addition to complying with the existing plan – see paragraph 4.2 of Specific Direction 11a) propose a new remediation plan on the basis of a switchover date of 30 June 2022. It must do so within seven days of Specific Direction 11a coming into force.'

3.3 At the end of paragraph 8.1 of Specific Direction 11, insert 'It is varied by Specific Direction 11a on 25 May 2022.'

4 Transitional and consequential provisions

4.1 Paragraph 4.1 of Specific Direction 11 is to be taken as requiring Pay.UK to inform OBIE and each initial CoP participant of any further steps it proposes to ensure the outcomes mentioned in paragraph 4.2 of that direction, having regard to the new date inserted into that paragraph by paragraph 3.1 of this specific direction.

¹ See the definition in paragraph 3.1(e) of Specific Direction 11 as varied by paragraph 3.1 of this direction: https://www.psr.org.uk/media/reefc5go/psr-specific-direction-11_feb-2022.pdf

- 4.2** For the purposes of any remediation plan (see Section 6 of Specific Direction 11) in effect on the date this specific direction comes into force, the relevant switchover date remains 1 May 2022.

5 Commencement

- 5.1** This specific direction comes into force on 25 May 2022.

6 Citation

- 6.1** This specific direction may be cited as *Specific Direction 11a: Closure of initial technical environment for Confirmation of Payee – variation of deadlines*.

7 Interpretation

- 7.1** Words and phrases used in this specific direction have the same meaning as in Specific Direction 11.

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