



Common and Consistent PSO Participation Model & Rules

Progress Update




February 2017

Progress Update - February 2017

- The document, “An Introduction To The UK’s Interbank Payment Schemes” which was published last year, has had some minor updates and is in the process of being printed. The Scheme Operator websites will be updated with the latest version in line with the release of the printed version.
- Work continues on the following detriments;
 - Engagement Model
 - On-Boarding
 - Access to Information.
- The next slide show the overall progress status.

Common PSO Participation Model & Rules – Progress of work

Detriment		Update
1	Common terminology	Agreed by all PSOs. Delivered in the “Introduction to UK Interbank Payment Schemes” booklet (pages 22 & 23 Common Terminology)
2	Common eligibility criteria	Agreed by all PSOs. Delivered in the “Introduction to UK Interbank Payment Schemes” booklet (page 20 – Access Criteria)
3	Categorisation of Participants	Agreed by all PSOs. Delivered in the “Introduction to UK Interbank Payment Schemes” booklet (page 17 – Summary of Access Options)
4	Articulation of payment products by PSO	Delivered in the “Introduction to UK Interbank Payment Schemes” booklet (pages 3 - 19 – Overview of the Industry)
5	Engagement with indirect participants, prospective entrants and providers	Analysis completed and cross scheme agreement achieved on the common approach
6	Rules, Procedures and Participant Agreements	Work to start in July. Will need to be co-ordinated with the change in governance proposals
7	Technical Accreditation process	Analysis to commence in April
8	Assurance process	Analysis to commence in April – Preparation started
9a	On-boarding process	Analysis completed and options being generated
9b	Migration to common connectivity model	Analysis to commence in July
10	Access to information and documentation	Analysis started – locations of common documents being identified

	Completed
	In progress
	Yet to be started



Appendix

- Background (Published Previously)
- Progress to January 2017 (Published Previously)

Background

The Payments Strategy Forum (PSF), as part of its work in simplifying access to markets, set up a working group with the objective of examining whether and how payment systems can be developed in order to simplify access and participation in the market for PSPs. Ten areas for collaboration or coordination between PSOs were identified with the aim to improve ease of access, simplicity and efficiency through the delivery of commonality across the PSOs unless there are clear reasons to retain differences.

The PSOs have already made considerable steps to improve access in advance of this work commencing, e.g. simplified sort code access.

The PSOs have a cross scheme group, the Interbank System Operators' Coordination Committee (ISOCC), to manage and deliver collaborative initiatives. Ahead of the PSF Strategy being published, ISOCC along with LINK have incepted a project to tackle the identified areas, keeping the Payments System Regulator and PSF informed on progress.

Progress To January 2017

- The project started in August and established a stakeholder group which included Fintechs, Challenger Banks and existing Clearing Banks, along with two representatives from the Working Group, to provide input and comment to the work.
- The first task of this stakeholder group was to assess the detriments and to provide a view of where most benefits will be achieved for a new entrant.
- The project reports to ISOCC and LINK
- The project has now completed work on the first four detriments; Common Terminology, Common Eligibility Criteria, Categorisation of Participants and Articulation of the Payment Products, establishing output which has been agreed across the five PSOs (Bacs, Chaps, C&CCC, FPS and LINK) as well as Paym.
- These outputs were published in a joint document by the PSOs, in December. The document, titled “ An Introduction To The UK’s Interbank Payment Schemes“, is available as a pdf download from all the PSO websites and will be available in printed form from February.
- Work has now started on the next three detriments; Engagement, On-Boarding and Access to Information.