



PAYMENTS STRATEGY FORUM

2017 WORKING STRUCTURES

16 December 2016



Overview

The Forum's Terms of Reference outlines the need to establish a working structure to progress the detailed work required to meet its scope, activities and deliverables – key points:

- The Forum will agree the working structures terms of references. These should include clear scope, objectives and a timetable in advance of the working group starting to meet
- The Forum Chair will agree the Chair(s) and workstream leads
- To ensure alignment with relevant initiatives the Forum will ensure that relevant organisations are properly represented within its working structures

The Forum is asked:

- **to consider and agree the proposed Working Structure; agree the draft Terms of Reference and receive an update on the Chairs and the NPA Workstream leads**
- **agree the Forum members responsible for reporting back from the ISOCC and the PSO DG**

Final Strategy Solutions

The final Strategy proposed the below solutions and set out next steps for each. It was agreed the Forum would take an active role in some and a monitoring / oversight roles in others.

Request to Pay	The Forum will oversee definition of standards and rules for interoperability.
Assurance Data	The Competitive market will then be able to design and implement a suitable service. The Forum will also ensure these standards are applied to subsequent delivery on New Payments Architecture.
Enhanced Data	
Simplified Payments Platform	Forum ownership of design, detailed implementation planning to be handed over to the Consolidated PSO entity when established and stable.
Moving the UK to a Common Message Standard	The Forum will manage the development and implementation of this solution.
Accessible Settlement Account Options	The Forum will support the Bank of England's development and implementation of this solution and ensure alignment of related Forum activity.

Active role:

These solutions and the agreed next steps will be progressed by the **NPA Design Authority and its workstreams**. See slide and the supporting Terms of Reference.

Note: The Forum is not taking an active role in the Bank of England's RTGS project but representatives from the Bank will join the Design Authority to ensure alignment.

Guidelines for Identity Verification, Authentication and Risk Assessment	The Forum will move delivery and implementation forwards and then hand over to the appropriate industry body to own in the future, with BBA and New FS Trade Association potentially seen as a good fit.
Payment Transaction Data Sharing & Data Analytics	The Forum will manage delivery of this solution with the target to undertake a competitive tendering in H2 2017.
Financial Crime Intelligence Sharing	The Forum will own the next steps and handover during 2017 to an appropriate industry body. We will collaborate with existing bodies (e.g. JFT, FFA-UK and JMLIT to agree appropriate future ownership).
Trusted KYC Data Sharing	The Forum will undertake more research to confirm viability including potential delivery by the competitive market.
Enhancement of Sanctions Data Quality	This is the responsibility of the financial sanctions team of HMT. The Forum will engage with The Treasury to understand how best to execute
Customer Awareness & Education	The Forum will identify the appropriate industry body to take this forward, candidates would include JFT and the new FS Trade association
Indirect Access Liability Models	The Forum will set up a Working Group that will liaise with industry to understand concerns with current JMLSG guidance. The industry Working Group will clarify specific concerns for consideration by the JMLSG with approval of any changes needed by FCA and HMT

Active role:

These solutions and the agreed next steps will be progressed by the **Financial Crime, Security and Data WG and its Sub-groups**. See slide and the supporting Terms of Reference

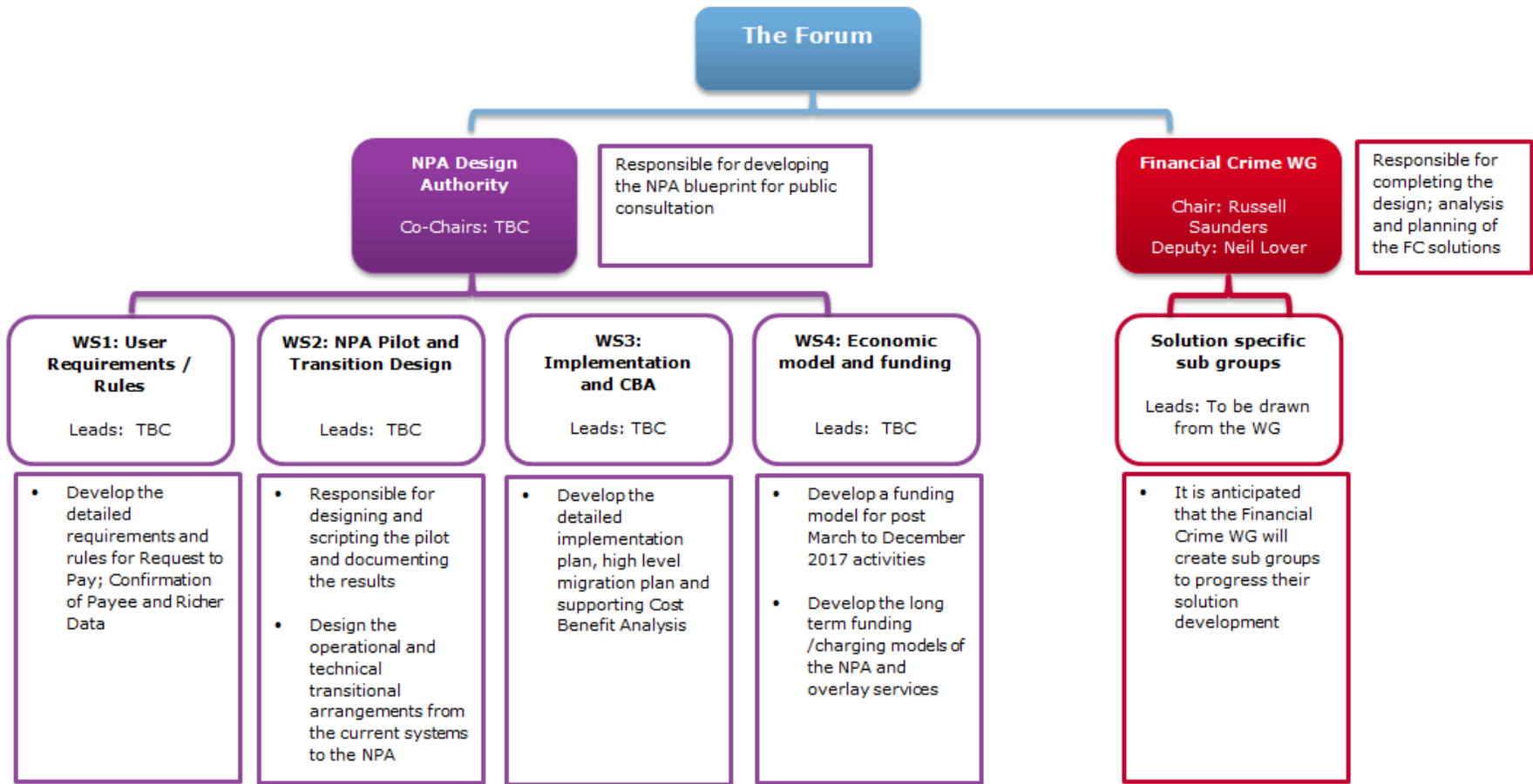
Aggregator Access	The Forum will monitor the implementation of this solution by the PSOs.
Common PSO Participation Model and Rules	The Forum will monitor the implementation of this solution by ISOCC
Establishing a Single Entity	The Forum will oversee the development of the Consolidated PSO entity by the PSO Delivery Group.

Monitoring role:

It will be the responsibility of the Forum Members who attend ISOCC and PSO DG to report back to the Forum

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Proposed High-level Working Structure – active role



See DRAFT Terms of References for more detail, posted alongside these slides

Notes:

- The Design Authority and Financial Crime WG are not independent bodies and are being established to progress the detailed work of the Forum
- The Strategy describes the pilot as the 'SPP viability demonstration'

Working structure resourcing principles

- The Chairs will be responsible for identifying and securing the necessary resource to meet its scope, activities and deliverables
- To ensure alignment with relevant initiatives the Chairs will ensure the relevant organisations are properly represented. This will include representatives from the Payment System Operators (PSOs); the Bank of England's RTGS review project team and API Implementation Entity.
- Project Management and secretariat resource will be provided by a 3rd party consultant selected by the Forum
- Production of meeting papers and the key project outputs / documents will be undertaken by Working Group; Workstream or Sub Group members and the 3rd party consultant
- Chairs and Workstream Leads will provide, where practicable, dedicated technical resource from their own organisations
- Additional technical expertise will be drawn from the Payments Community on a voluntary basis. It will be the role of the Chairs to identify the technical expertise required and work with the Forum Secretariat to communicate this to the Payments Community
- Members of the Design Authority and Financial Crime WG will be expected to actively contribute to one or more of the Workstreams. The Chairs reserve the right to replace members if they are not making an active contribution.
- If work is taking place elsewhere in the industry, for example Faster Payments on *Request to Pay* or Payments UK on *Confirmation of Payee*, this work and resource should be transitioned into the Forum

Key milestones

NPA Delivery Group:

- **By January 2017** - develop its workplan and identified its resource requirements
- **By July 2017** - design and document its draft NPA “blueprint” for public consultation. This will include:
 - detailed user requirements and rules for Request to Pay; Assurance Data and Enhanced Data
 - results from designed / scripted pilot and transitional arrangements
 - an implementation plan and cost benefit analysis
 - funding models
- **By end 2017** - finalise its design work and implementation planning and handover to the New Payment System Operator (NPSO). This will include addressing feedback from the consultation; further design / definition on the above areas, and additional work on API development and standards definition

Financial Crime, Security and Data Working Group:

- **By January 2017** - develop its workplan and identified its resource requirements
- **By July 2017** – develop the Financial Crime solutions ready for handover to an appropriate entity or consultation, and develop a plan for July to December 2017
- **By end 2017** – address feedback from the consultation and conclude any further work

Consultation:

- The Forum is expected to consult on its work for an appropriate period at some point in mid 2017

Note: the 3rd party consultant being appointed by the Forum is expected to produce a Project Initiation Document and Programme Plan by end January 2017



Forum members responsible for reporting back from the ISOCC and the PSO DG

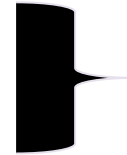
The Forum's Terms of Reference identifies as one part of its "scope; activities and deliverables" is:

Monitoring the implementation of solutions progressed by other entities.

- *This includes identifying whether progress is happening in a timely way and considering whether to recommend any intervention to address concerns if implementation is not progressing effectively.*

This applies to three solutions:

Aggregator Access	The Forum will monitor the implementation of this solution by the PSOs.
Common PSO Participation Model and Rules	The Forum will monitor the implementation of this solution by ISOCC
Establishing a Single Entity	The Forum will oversee the development of the Consolidated PSO entity by the PSO Delivery Group.



Monitoring role:

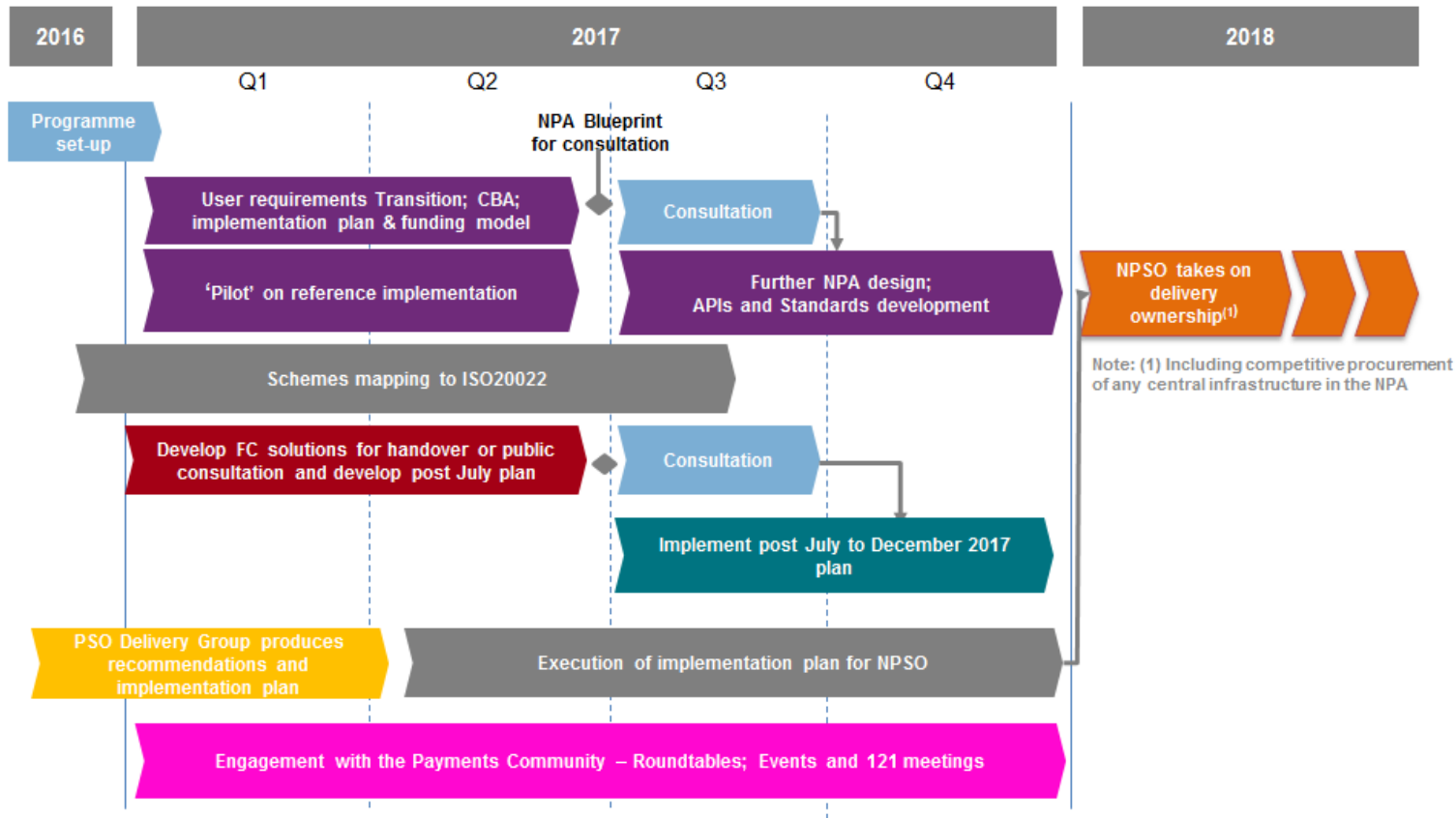
It will be the responsibility of the Forum Members who attend ISOCC and PSO DG to report back to the Forum

Propose that:

- Becky Clements report progress from the ISOCC
- Becky Clements / Faith Reynolds / Russell Saunders report progress from the PSO DG

Annexes

Payments Strategy Forum 2.0 – High level milestone plan



NPSO takes on delivery ownership⁽¹⁾

Note: (1) Including competitive procurement of any central infrastructure in the NPA

Ownership Key

- The Forum
- NPA Design Authority
- Fin. Crime WG
- Current PSOs
- PSODG
- Forum Secretariat
- New PSO

Note: the 3rd party consultant being appointed by the Forum is expected to produce a Project Initiation Document and Programme Plan by end January 2017



Forum meeting dates and times

- 31st January 2017 (10.30 to 13.30)
- 01st March 2017
- 26th April 2017
- 23rd May 2017
- 12th July 2017
- 14th September 2017
- 30th November 2017

All meeting times 14:30 to 17:30 unless otherwise stated and will be held at the FCA offices. Dairy invites have been sent.

We will aim to publish all meeting papers will be made available on the Forum's website a week before the meeting