

PAUL SMEE
CHIEF EXECUTIVE
PAYMENTS COUNCIL

OBJECTIVES

PAYMENTS COUNCIL HAS 3 CORE OBJECTIVES:

- EFFICIENCY
 - INNOVATION
 - INTEGRITY
-

KEY CHARACTERISTICS OF THE COUNCIL

- 11 BANK DIRECTORS
 - 4 INDEPENDENT DIRECTORS
 - NON-BANK CHAIRMAN
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MODUS OPERANDI

- OPEN
 - CONSULTATIVE
 - MINUTES PUBLISHED
 - COST BENEFIT ANALYSIS
-

PAYMENT SCHEMES

- GENERIC CONTRACTS WITH THE PAYMENT SCHEMES (BACS, CHAPS, LINK, CHEQUE & CREDIT) PROVIDING FOR A LEVEL OF INFORMATION AND CONSULATION
 - BUT NOT CONTEMPLATING DIRECT INTERFERENCE IN THE RUNNING OF SCHEMES
-

PRACTITIONER GROUPS

THERE ARE PRACTITIONER GROUPS WHICH LOOK AT THE TECHNICAL ISSUES EG STANDARDS, SECURITY, FRAUD.

3 USER FORUMS

- LARGE CORPORATE AND PUBLIC SECTOR

- SME

- CONSUMER

EACH CHAIRED BY AN INDEPENDENT DIRECTOR

NATIONAL PAYMENTS PLAN

MAY 2008

THERE IS A 10 YEAR NATIONAL
PAYMENTS PLAN WHICH COVERS.....

NATIONAL PAYMENTS PLAN

- CHEQUE SUBSTITUTION
 - NEW CHANNELS OF PAYMENTS SUCH AS MOBILE
 - UNDERLYING THEMES SUCH AS EDUCATION AND INCLUSION
 - REVIEWS OF EXISTING SCHEMES SUCH AS CHEQUE CARD GUARANTEES
-

SECRETS OF SUCCESS (A)

- GET THE RIGHT INDEPENDENT DIRECTORS; AND
 - BANK DIRECTORS OF THE RIGHT SENIORITY
-

SECRETS OF SUCCESS (B)

- ESTABLISH WHAT IS COMPETITIVE AND WHAT IS COLLABORATIVE
 - THE COUNCIL CAN ONLY WORK IN THE COLLABORATIVE SPACE
-

SECRETS OF SUCCESS (C)

- ENGAGEMENT WITH USERS AT THE RIGHT LEVEL
 - THIS MEANS SOME PAYMENT EXPERTS BUT ALSO THOSE WITH A MORE HORIZONTAL VIEW SUCH AS CONSUMER ORGANISATIONS
-

SECRETS OF SUCCESS (D)

- SUPPORT OF NATIONAL AUTHORITIES
EG THE COMPETITION AUTHORITY
AND THE CENTRAL BANK
 - THEY SHOULD KNOW WHAT IS GOING
ON BUT NOT DIRECT IT
-

OFT REVIEW

- PUBLISHED WEDNESDAY
 - AGREED COUNCIL WAS A SUCCESS
 - MADE REQUESTS FOR DETAILED IMPROVEMENT
 - AGREED THAT WE COULD SELF-ASSESS IN FUTURE
-

INNOVATION

- FASTER PAYMENTS WAS CATALYSED BY THE OFT BUT DESIGNED BY THE INDUSTRY
 - REGULATORS SHOULD NOT DESIGN
-

THE CHALLENGES OF FASTER PAYMENTS

- GETTING 12 BANKS TO CO-OPERATE ON THE DESIGN OF A CENTRAL INFRASTRUCTURE
 - ONE KEY IMPLEMENTATION GROUP – WITH A SENIOR SPONSOR GROUP AND TECHNICAL COMMITTEES
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THE CHALLENGES OF FASTER PAYMENTS

- THE ROLE OF THE CENTRAL TEAM AND THE SUPPLIER OF THE INFRASTRUCTURE
 - WERE THEY JUST SUPPLIERS OR DID THERE HAVE TO BE CLOSER CONTROL AND MANAGEMENT?
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THE CHALLENGES OF FASTER PAYMENTS

- GETTING THE ROLL-OUT RIGHT
 - THIS IS A KEY COMMERCIAL MATTER – BANKS ARE IN CHARGE OF THEIR OWN CUSTOMER OFFERINGS
 - BUT YOU (AND THE AUTHORITIES) WANT THE SCHEME AS A WHOLE TO PROSPER
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THE CHALLENGES OF FASTER PAYMENTS

- KEEPING INTEGRITY MUST BE PARAMOUNT
- SLOW ROLL-OUT IS JUSTIFIABLE

THE NEVER-ENDING BATTLE AGAINST FRAUD

- FIRMLY IN THE COLLABORATIVE SPACE
 - CHIP & PIN A REAL SUCCESS
 - CARD NOT PRESENT A REAL CHALLENGE
 - “BE AS ORGANISED AS THE CRIMINALS”
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