Speech
Hannah Nixon at the Payments Strategy Forum handover event

Speech by Hannah Nixon, Managing Director of the PSR, at the handover from the Payments Strategy Forum to the New Payment System Operator on 11 December 2017.

“I’m really delighted to have the opportunity to address you all at today’s event celebrating the success of the Forum’s work. This event marks the completion of the Forum’s New Payments Architecture Blueprint, and the handover of responsibility for its implementation to the New Payment Systems Operator and the delivery of the financial crime solutions to UK Finance.

This is a really significant milestone for the payment systems industry, which highlights just how far we have come on our journey to promote competition, innovation and the interests of users of payment systems.

I’m extremely proud of how the industry has worked together through the Forum to change the agenda for our domestic payment systems, and to drive the development of a new payments architecture in the UK in order to maintain our position as a global leader in payments.

When the PSR was set up three years ago, we heard that the industry was slow to innovate where collaboration was needed. There were lots of calls for us to step in, use our powers and mandate a solution. However, instead of using our powers to intervene, we created a platform for stakeholder-led collaborative innovation. We set up the Payments Strategy Forum.”
At the time, many people were sceptical about whether the Forum would work, but we were
determined to empower the sector to find the right solutions. Just as we anticipated, the Forum
proved all doubters wrong and lived up to all of our expectations thanks to strong leadership from
Ruth and the Forum’s members. I want to thank them for all their hard work over the last couple of
years. Their ambition, expertise and commitment is the reason behind the Forum’s success.

As Ruth mentioned, under the Forum’s stewardship the whole payments community played an integral
role in driving the Forum’s ambitious work. This includes both developing a Payments Strategy fit for
the 21st century in under a year and, of course, developing today’s Blueprint to a tight timeline.

Through its various working groups and engagement via the Payments Community, the Forum
brought together stakeholders from across the industry. For the first time, market participants ranging
from big banks to consumer groups representing end-users were given an equal voice and an equal
opportunity to engage in the future of the UK’s payment systems. That’s a significant accomplishment.

We established the Forum to achieve a specific objective – to develop a collaborative innovation
strategy to promote the interests of users. As you all know, the Forum met this objective in November
2016 when it published its Strategy, and has since progressed the next phase of detailed design and
implementation planning.

With the Forum successfully delivering all it set out to do, I’m proud to stand here before you to mark
the formal handover of the finalised New Payments Architecture Blueprint to the NPSO. The Forum
will close down by the end of the year, and as of this moment, the NPSO is responsible for successfully
delivering the NPA.

I am very pleased that Melanie and Paul have decided to leverage what is perhaps the Forum’s
greatest strength, and build on its stakeholder engagement model to establish Advisory Councils
that will preserve expertise from the Payments Community. It’s very reassuring that the NPSO views
stakeholder engagement as vital to its success as an organisation and to the successful delivery of the
Forum’s initiatives.

I am also happy to confirm that UK Finance has accepted ownership for delivering the Forum’s
financial crime solutions. I am confident that it will act as a capable cross-industry driving force to
deliver effective and timely results.

As Ruth expressed in her opening remarks, it is now up to the NPSO and UK Finance to maintain
industry momentum and drive forward the work started by the Forum.

I cannot stress enough that this is a historic opportunity for UK payments. Standing still is not an
option. Change must happen.

At the PSR, we are determined to ensure the NPA is successfully delivered. To achieve this, we will
continue to engage with the NPSO and encourage and monitor its work, but we will not hesitate to
step in if it’s not going in the right direction.
So, what does success look like?

- First, there needs to be effective competition across all layers of the NPA, with low entry barriers for PSPs and other service providers. This should lead to an increase in the provision of innovative payments solutions and services for the benefit of users.

- Second, we want to see the NPA delivered on time, with support and engagement from all stakeholders, including customer representatives.

- And finally, the NPA needs to be technically robust and resilient.

UK Finance also needs to take forward the Forum’s financial crime solutions, which are essential to enhancing customer protection from scams.

We must all support the NPSO and UK Finance to deliver this vision, because as the Forum’s success has shown, when the industry comes together, great things can happen. We want to see the NPSO develop into an organisation that puts users’ needs at the very heart of all its work to drive innovation and competition in retail payments.

We are confident that the Forum’s Blueprint has found the right home and we will stand firmly behind the NPSO to help it succeed on its mission.

Thank you for listening and I hope you will all continue to support the work of the NPSO and UK Finance.