Minutes

Faster Payments
Part of **pay.uk**

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To   NPA Advisory Group: Request to Pay

From   Rhia French
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MINUTES OF THE NPA ADVISORY GROUP: REQUEST TO PAY MEETING HELD ON 17 SEPTEMBER 2019 AT 10.00 AT 2 THOMAS MORE SQUARE, E1W 1YN

Present:	Simon Brooks	Pay.UK *(Chair)*
	Rhia French	Pay.UK *(Secretariat)*
	Modupe Oyebesi	Pay.UK
	Rob Moore	Pay.UK
	Mark Jones	Pay.UK
	Aarron Shaughnessy	Bottomline
	Cyrus Wadia	Modulr
	Mel Donohoe-Brown	HMRC
	James Stanley	Anglian Water
	Craig Stewart	Clydesdale Bank
	Imran Ali	Answerdigital
	Ruth Bookham	Nationwide
Apologies:	Karl Smith	Santander
	Danny Doyle	Accesspay
	James McMorrow	Lloyds Bank
	Robert Walker	Nationwide

09/19.01   WELCOME   **ACTION**

The Chair welcomed the group to the Request to Pay (RtP) Advisory Group meeting. The minutes of the previous meeting were not presented however no comments were raised and as such the minutes were taken as approved.

09/19.02   PILOT UPDATE

Pay.UK updated the Group on the Request to Pay (RtP) Pilot. It was noted that to date the pilot has been running successfully and Pilot Participants have begun to build their solutions. Two messages have been passed over the RtP ecosystem.

Pay.UK advised its next steps to develop the security aspect of the messaging service. It was announced that the next three Pilot Participants will be joining the pilot and are currently awaiting their certificates, so they can start sending messages. Following this Pay.UK will begin to explore and build confidence in the service as well as building up the internal processes that will allow the Service to operate. A system whereby RtP Service providers and Pay.UK could share updates was discussed. This would allow information to be provided for example if a Repository had an issue and was unable to pass on messages or if Pay.UK had to withdraw a Service Providers certificate, other Service Providers would need to be alerted to this fact. The proposal is to have a database of service provider Operational contact numbers and email addresses. However in the future Pay.UK may look at alternative mechanisms to deliver this information.

09/19.03   COMMUNICATIONS

The Group explored the communications approach and discussed methods on how to achieve critical mass. Pay.UK advised there is a lot of interest in the service however following research undertaken with large billers it has been determined that for them to start issuing requests in large volumes; they need the Banks and Building Societies to have adopted the service and be offering it to their customers. This in turn would then persuade large Billers that a sufficient number of their customers are utilising the service, for them to offer this as an additional billing option.

Pay.UK reminded the Group of the upcoming Vendor event scheduled to be held during November 2019. However noting the above observation from the large biller community; it was agreed that to hold the event as a way to introduce large billers to repository

providers would now be the wrong thing to do. This event will focus on providing clarity on the purpose of RtP and the service functions. Pay.UK will look at inviting Banks, Building Societies, Repository providers and big billers. The intention being to show organisations how the RtP service will operate and also introduce Banks, Building Societies and Billers to organisations that can offer them services in the RtP space. It will also provide Pay.UK with the opportunity to show the progress that is being made in the delivery of RtP and also demonstrate that there are a large number of organisations already involved. Pay.UK is keen to engage smaller banks as well as the larger banks at this event. It was noted the best solution to get customers signed up to RtP, and thus create the critical mass that is desired would be by creating awareness amongst banks and if possible get them to auto-enrol their customers and offer them an opt out option rather than an opt in option. The Chair advised that Pay.UK is working closely with an external organisation to build an RtP App similar to that when work was undertaken with Accenture. It is hoped that the RtP app will be ready for use in the near future and can then be used to demonstrate how RtP works. Consideration will also be given to putting access to the App on the RtP website so that other organisations can also use it to demonstrate the service to their **Pay.UK** potential customers. The group thought this was a really good idea **17/10/19** so Pay.UK will investigate the possibilities.

09/19.04   **KNOW YOUR CUSTOMER (KYC)**

Pay.UK advised that it had received an overview from its legal team on the Know Your Customer (KYC) processes; advising that the obligation to undertake the KYC process must be conducted by the repository, on any person or organisation that wants to use their RtP services. Pay.UK agreed to circulate the legal advice to the Group **Pay.UK** along with the post meeting papers. In addition to any entity wanting **17/10/19** to join the service they must be authorised by the Financial Conduct Authority (FCA) or linked to an organisation that is FCA accredited. Pay.UK agreed to investigate with the FCA the different levels of **Pay.UK** FCA accreditation to determine which should apply to the RtP **17/10/19**

Service.

09/19.05   ADVANCED NOTICE

Pay.UK provided an update on the New Advanced Notice Request (ANR). The Chair advised that since the last meeting things have moved on and the ANR has now become the PAM – Pre Authorisation Message, this will assist the requirement of keeping the service safe and secure. The PAM will ensure that when a first request is sent from a biller to a payer the payer will have the opportunity to accept or decline the request or ask for more information. At the last meeting held on 26 July 2019 it was agreed in order to make this proposition work that tables should be created in both the payer and biller repositories. With each recording that a PAM had been sent and the payers response to that PAM. Thus providing a double check on whether a PAM has been sent already and if it has what the payer's response was. It was queried whether a third table should be also be considered in the biller app. The Chair advised that after careful consideration it was felt that a third could over complicate the process. Pay.UK will now take these high level designs for the PAM and get them translated into technical specifications. Once these have been established, they will be released on the RtP website so that entities can then build and test them in the sandbox. It was also discussed whether they could be tested as part of the Pilot. Pay.UK advised that if the APIs could be developed in sufficient time for them to be tested as part of the pilot then this would happen. It was enquired whether there has been any additional feedback in respect of the PAM outside of the Advisory Group. The Chair advised that there had and that all of it was positive with everyone that has been spoken to thinking that this approach was the right thing to do and would be an enhancement to all the other tools that have been designed to keep the service as safe and secure as possible.

09/19.06   SERVICE DEFINITION

The latest version of the Service Definition (version 0.7.1) has now been finalised and will be available for review on the RtP website

following the meeting. The Chair walked through the included changes. It was considered to use the news and events section on the RtP website to inform the outside world of any upcoming changes as well as continuing to do this in the Developer Portal where the documents would be released.

09/19.07   HOW IT WORKS

Discussion was held on the finer details of how the service will work. The Group discussed issues which could arise on the payment journey; various outcomes were explored including a communication trail. It was agreed to provide a list of all the Participants which have passed the certification process, however further investigation needs to be undertaken on where this information is stored and also what can and can't be stored as well as what can be shown and not shown. The Group suggested having a directory of Participants, to enable Participants to have access to details of other Participants as well as potentially providing this information to a wider audience. Pay.UK recommended this could be implemented through SharePoint and alternatively via a website.

The use of 'read receipts' were also suggested from a liability perspective, it was agreed to investigate this further. Contractual obligation between the billers and payers and when bills should be paid, was also discussed. The Chair stressed the importance that RtP is seen as a replacement of the paper bill and as with the paper bill RtP does not change or replace the contractual or legal obligations of the payer to pay the bill and pay the whole bill on time. It was noted the liability between the payer and biller will not change, however the introduction of RtP might make it easier to identify where an issue has occurred because of the stream of data between the payer and the biller. Where the liability sits in respect of when the payment is executed was also discussed and it was agreed that the introduction of RtP did not change where the liability lies today in respect of a payment being made by the payer to the biller. A further discussion took place in respect of if RtP was used to perpetrate a fraud and where the liability would lie for this. It was agreed that this

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would be dependent on what the fraud was and how it had been committed. Pay.UK advised that they would seek a legal opinion on this and revert back to the group once this advice had been received.

Date of next meeting: 17 October 2019 at 10:00