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News release

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New Payment System Operator formed

The Payment Systems Regulator (PSR) and Bank of England (BoE) have today announced that the Payment System Operator Delivery Group (PSODG) has completed the necessary steps to deliver against the mandate that the regulators tasked it with.

Following the appointment of Melanie Johnson as its first chair, work will continue at pace to deliver the New Payment Systems Operator (NPSO) by the end of 2017. With the NPSO now taking the lead, the PSR and the BoE have confirmed the closure of the PSODG.

The PSR and BoE established the PSODG with the specific aim of planning for the consolidation of the operators of three payment systems: Bacs Payment Schemes Ltd (BPSL), Cheque and Credit Clearing Company (C&CCC) and the Faster Payments Scheme Ltd (FPSL). These payment systems support people and businesses in the UK moving money between bank accounts.

Both the PSR and the BoE also tasked the PSODG with forming recommendations on the detailed design of the NPSO and producing a plan that would allow for the consolidation to be completed by the end of 2017. If effectively delivered, the NPSO should generate a number of benefits and contribute to advancing our collective objectives.

With Melanie Johnson now in post, the process of forming the initial board has commenced. Responsibility for completing the consolidation in line with the agreed plan lies with the NPSO and three existing PSOs. The PSR and BoE will continue to work with the NPSO to ensure the plan is delivered in a timely and smooth fashion.

Hannah Nixon, Managing Director of the PSR, said:

“The creation of the NPSO is an important step in streamlining the UK’s payment systems and creating an environment that delivers competition and innovation for the benefit of everyone.”

“The delivery group has put in place a framework that will allow for the completion of the PSO consolidation by the end of the year, in line with our ambitious timetable. I would like to thank Robert Stansbury and the members of the group for their hard work and commitment.”

David Bailey, Director, Financial Market Infrastructure, at the Bank of England, said:

“I want to thank the members of the PSODG whose collective efforts have ensured the timely delivery of the group’s mandate. It has been an excellent example of a range of industry stakeholders working together to help deliver an outcome that should enhance the stability of the UK’s financial system.

“The Bank and PSR will continue to closely monitor the progress of the consolidation and expect good headway to be made towards completing the transaction over the next few months.”

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Notes to editors

1. The Payment System Operator Delivery Group (PSODG) is an independently chaired body established by the Payment Systems Regulator (PSR) and Bank of England (the Bank) in October 2016. It was set up to consider key issues relating to the potential consolidation of the governance of three payment system operators (PSOs): Bacs Payment Schemes Ltd (BPSL), Cheque and Credit Clearing Company Limited (C&CCCL) and the Faster Payments Scheme Ltd (FPSL).
2. The proposed consolidation is one of the key elements put forward in the Strategy developed by the Payments Strategy Forum.

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