

Bank of England

RTGS Renewal Programme

Workshops on Roadmap for RTGS beyond 2024: Extended Operating Hours

13 June 2022

The workshop focused on gathering industry feedback on extending RTGS operating hours.

The Bank gave an overview of why operating hours are important, and the links into the global work ongoing via CPMI to use extended operating hours to help with enhancing cross border payments. Attendees recognised that there are benefits to extended operating hours – in particular if it increases opportunities to make wholesale payments for end customers. They considered that extending by a few hours (or even just 30 minutes) into the evening would help with late funding issues and clients' ability to adjust positions later in the day, and that extending into the morning would help with liquidity smoothing (activity typically peaks in the morning and tails off during the day). They also suggested that another benefit could be the ability to better manage incidents within the timeframe.

Though, most attendees were unsure whether they would heavily use extended operating hours based on current activity profiles and stressed the substantial costs involved in extending. A poll was carried out for each extension type to identify the specific impacts/challenges expected. The top three key impacts included staffing costs and requirements, introducing technical upgrades, and performing reconciliations. Attendees noted a full cost and benefits analysis would need to be undertaken by industry, to be able to quantify and understand how an extension would work and the impact on their organisations.

The Bank also asked attendees about their preferred timeline for any extension in operating hours and what type would be most problematic. Some attendees highlighted there were still things to work through, though the majority said a small increase in weekday hours would be useful and 24/7 was voted most problematic. Although 24/7 was seen to be the most impactful (e.g. challenges of needing to conduct change processes during live), the group discussed that it would eliminate cut-off times and hence could take a lot of operational risk out of the system, so also has some real benefits upside.

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For the next steps, the Bank will share the outcomes from the consultation feedback. The Bank will then begin to have further detailed discussions with industry on benefits and impacts of specific extension types.