

Annual plan and budget 2019/20

Our Annual Plan sets out our key aims and activities for 2019/20, alongside our expected costs.

In the four years since we started work we've had to be bold and take the lead, using our powers to bring about change where it was needed. We've delivered significant improvements that have reshaped the way payments work.

In 2019/20, our approach is not going to change. We know that the way people make payments is constantly evolving, and so we will continue to evolve and innovate as we grow.

Why payment systems matter

If you've ever made a payment, you've used a payment system. Using a smart watch to buy coffee, receiving your salary directly into your bank account, taking cash out at an ATM – all of these, and more, rely on payment systems.

Our role is to make sure they work well for everybody. But we also want them to be operated in a way that creates greater competition and innovation so that whether you're a consumer or a business, you have a choice in the way you make payments – and can do so safely.

Our annual plan sets out how we plan to continue this work in 2019/20 and beyond.



Key work next year

Payment scams

In March 2019 some of the banks agreed to implement a new industry code that will help prevent authorised push payment scams, and protect the victims. The banks also agreed to provide initial funding to reimburse victims when blame can't be attributed to either the consumer or the banks. These landmark changes were initiated by the steering group we set up to devise the code.

We also want to see Confirmation of Payee introduced as soon as possible. This service will help people confirm that their payments are going to the right person – which makes it harder for criminals to commit these scams. Last year we consulted on a general direction requiring banks to implement Confirmation of Payee. We're working through the responses and issues raised, and will issue our response in due course.

The UK's ATM network and access to cash

Last year an important part of our work was ensuring that LINK, the UK's ATM network operator, met its commitment to maintain a broad geographic spread of free-to-use cash machines across the UK. We gave a specific direction to LINK to make sure this happened, and will continue to monitor developments closely.

But with cash withdrawals decreasing, there is a genuine question about the economics of running ATMs. That's why we're looking in detail at how people get cash and their attitudes towards it, as well as the different strategies used by ATM suppliers and how these affect people's access to cash.

We intend to play an active role in the discussion and future work on access to cash. We'll be working closely with the Bank of England, the FCA and the Treasury, and taking into account issues raised by the Access To Cash Review group chaired by Natalie Ceeney.

Pay.UK and the new payments architecture

Last year saw three interbank payment systems – Bacs, Faster Payments, and Cheque and Credit – brought together under a single new payment system operator, called Pay.UK.

Pay.UK is overseeing the design and implementation of a new payments architecture (NPA) for the UK, which should be in use in by 2022. These developments mark a fundamental change in the way UK payment systems operate – improving efficiency, increasing competition in the market and making sure the UK's payments infrastructure is fit for the future.

This year we will monitor Pay.UK's progress to make sure the NPA delivers its intended benefits for banks, businesses and consumers, and take action if necessary.

Card acquiring market review

Card payment systems enable people to make payments using debit, credit, charge and prepaid cards. To accept card payments, merchants need to buy card-acquiring services. We are carrying out a market review into the supply of these services.

We've already consulted on and published the terms of reference for this piece of work. We're now gathering evidence and information and expect to publish an interim report at the end of 2019.

