



PAYMENT MATTERS

Welcome to the first edition of **Payment Matters**, the Government Banking quarterly e-newsletter.

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About Government Banking

Government Banking is a shared service for government that sits within HMRC. Although we are part of HMRC, we provide services to over 750 government organisations.

Our purpose

Our main purpose is to ensure that government makes and receives payments in the most effective and secure way, whilst delivering value for money and a good customer experience for end users.

What we do

We use our expertise and knowledge to negotiate new banking contracts for our customers, by leveraging the power of government buying once and well. We work collaboratively with our strategic partners, to maximise efficiency and value for money from existing contracts.

We ensure government organisations have robust processes in place to keep government money safe from fraudulent activity.

We work in partnership with HM Treasury to provide critical services, facilitating the movement of money within government organisations and ensure funds are held securely within the Exchequer to minimise public sector borrowing.

We ensure opportunities and challenges, as a result of the changes in the payment industry (e.g. Open Banking and PSD2) are communicated effectively to government organisations to limit duplication of effort and reduce the risk to government, as a major customer, of being “left behind”.

How we engage

We engage across government at a strategic level through our Senior Officials’ Group (SOG). This cross government forum, championed by Cabinet Office, brings together senior representatives from departments, whose main business is paying and receiving money so they can set the agenda on how government responds to and influences changes in the payment world.

Our Customer Engagement Group (CEG) supports SOG at an operational level, and is the conduit through which decisions made by SOG are turned into actions.

We run events and workshops to keep our customers informed, and give them the opportunity to connect with suppliers and the banking industry directly. In May, we ran an Innovations in Payments event that you can read about on the next page. In June we completed a series of fraud awareness webinars to educate about payment fraud trends and provide guidance on preventative action that can be taken to avoid falling victim.

We do more than just tell our customers about the changes – we are in a strong position to influence any changes by being the voice of government across the banking industry. Jo Oxley, Head of Government Banking, represents government on the End User Advisory Council of the New Payment System Operator (NPSO). See Industry Watch section.

On a day to day level, Government Banking engage with customers through our Customer Relationship team. We provide operational advice and guidance about banking and payments and ensure they comply with the HMT Managing Public Money guidance. If we become aware of any activities that increases risk for the Exchequer or our exposure to suppliers e.g. payments made after 3pm, or accounts become overdrawn, we will be in contact straight away. We assist our customers to resolve any payment issues that may arise and deliver efficiencies that support their payment strategy.

To learn more about what we do please contact:
government.bankingservice@hmrc.gsi.gov.uk

Key Activities and Industry Watch

Government Banking Innovations in Payments event May 2018

The Government Banking Innovations in Payments event brought together over 100 government representatives to share ideas and discuss with industry experts how the world of payments is changing and what it means for government.

There were presentations from leading experts in the finance and banking industry, offering practical advice about what government needs to do now and what new and improved services might look like in the future.

There was the opportunity to network with colleagues, share ideas and challenges as well as spend time with some of our strategic partners.

It was great to see so many people from different organisations in attendance. The day was a valuable forum and we have received lots of positive feedback about the event.

We are already working with many of you on some of the new developments discussed at the event including:

- **Request to Pay** - a new messaging service between organisations and customers to facilitate prompt payments
- **Confirmation of Payee** – a new service to enhance payer's trust and confidence when making a payment
- **ISO 20022** - a common global messaging standard to be introduced in the UK, that offers the opportunity to make payment systems work better for everyone.

You can find more information about the event and future events on the One-Finance website at [Government Banking's Innovations in Payment](#)



Government Banking Innovations in Payment

17 May 2018



Industry Watch – an update on the New Payment System Operator

The New Payment System Operator (NPSO) was established in 2017 to shape the future of payments in this country.

NPSO is responsible for delivering the New Payments Architecture (NPA), a fresh approach to the UK's payments infrastructure and standards, to accommodate the evolving needs of a broad audience in the 21st century. Government Banking is working closely with NPSO to ensure the needs of government are reflected in the work they do.

The NPA will not only keep payments safe in a world of ever-changing threats, it will also trigger a revolution of competitive innovation and new overlay services. The NPSO recently published their first edition of [NPSO News](#). Please contact government.bankingservice@hmrc.gsi.gov.uk for further information.

Upcoming Activities

- Confirmation of Payee round table discussion with NSPO – Wednesday 11 July
- Bank of England ISO 20022 Consultation submission – Wednesday 18 July
- SOG quarterly meeting – Tuesday 21 August
- CEG quarterly meeting – Tuesday 4 September

Contact government.bankingservice@hmrc.gsi.gov.uk if you would like more information about anything in this newsletter or you want to find out more about Government Banking.