

# Memo



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## **PAYMENT ACCOUNTS REGULATIONS 2015: DRAFT HANDBOOK CHANGES AND DRAFT GUIDANCE**

The Cheque and Credit Clearing Company welcome the opportunity to respond to the Financial Conduct Authority's consultation paper on "Payment Accounts Regulations 2015: Draft handbook changes and draft guidance".

### **Background**

The Cheque and Credit Clearing Company (C&CCC) was established in 1985 and from that time until the present day it is proud of its record in:

- providing members with the central payment system services for the exchange and settlement of cheques and credits;
- managing the operational processes of the central payment system services;
- delivering innovation, such as the current Future Clearing Model (FCM) programme, which will bring the cheque into the digital age via the implementation of an image-based cheque clearing process in the UK;
- determining the rules, standards, and procedures required to maintain the integrity of the clearings, including the criteria for joining the clearings and ensuring compliance with those rules;
- engaging with the full range of stakeholders which includes consumers and businesses that use cheques, banks that offer cheque clearing services, cheque processors, cheque printers and other suppliers, as well as regulators, trade associations and other payment schemes;

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**MEMBER CIRCULATION**

- managing the cheque printer accreditation scheme (CPAS).

Our Objectives are to:

- ensure that cheques and credits remain a viable, secure and efficient choice of payment for all users, so we will;
- promote innovation and competition in payment choice by driving improvements in processing, service and efficiency;
- provide a trusted centre of excellence for anyone with an interest in cheques or credits.

### **C&CCC Response**

C&CCC would like to respond to only question 1 in the consultation:

**Do you agree with our proposed guidance on the definition of a 'payment account'? If not, please explain why not and suggest amendments.**

We understand that it is often not easy to determine if an account is a 'payment account' or not and you have therefore described the characteristics that a 'payment account' displays. You have described a 'payment account' as having amongst others the following characteristics:

- execute payment transactions to third parties, including credit transfers
- receive payment transactions from third parties

For completeness, we feel that this could be amplified by examples of payment instructions (including cheques) that these accounts are able to make and receive.