

15 May 2016

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Payment Systems Regulator
Fees Team
25 The North Colonnade
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Dear Sirs

PSR CONSULTATION PAPER CP16/11: PSR REGULATORY FEES 2016/17

The Cheque and Credit Clearing Company welcome the opportunity to respond to the Payment Systems Regulator's consultation on "PSR regulatory fees 2016/17".

Background

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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;
- 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;
- Developing innovations such as our current Future Clearing Model Programme to implement cheque imaging in to the UK to take cheques into the 21st century digital age.



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

Consultation

We have considered all the questions raised in the consultation, and consider it appropriate to respond on only two:

Q1: Do you have any comments on our proposed handling of the anticipated 2015/16 budget underspend? In particular, do you have any comments (i) on our proposed timing and the setting out of the 2016/17 FSBRA fee and any 2015/16 FSBRA fee refund would be set out in a single invoice; or (ii) our proposal that only PSPs who paid fees in 2015/16 and are liable to pay 2016/17 FSBRA fees are eligible for an 'automatic' refund? If so please set out your reasons.

We believe that this is a pragmatic way of handling any budget underspend. However, as the collecting agent in the PSR fees collection process, we would defer to the opinions of our PSP Members if these are materially different. Early sight of the amount of the underspend would be very helpful.

Q5: Do you have any comments on our proposal to move the 15 August and 1 September payment dates to 15 September and 1 October respectively with effect from July 2016?

We have not experienced any difficulties in receiving the payments from our Member PSPs on time. Therefore, on past experience we do not consider this to be an issue for our Members, but we would defer to their opinions if these are materially different.

Please let us know if you would like any clarification

Yours faithfully

Steve Grigg
Interim Chief Executive Officer