

26 April 2016

Direct Line 020 3217 8276
Stuart.Cole@chequeandcredit.co.uk

PSRconsultations@psr.org.uk

Payment Systems Regulator
25 The North Colonnade
Canary Wharf
London E14 5HS

Dear Sirs

PSR CONSULTATION PAPER CP16/2: PROPOSED CHANGES TO REPORTING REQUIREMENTS FOR GENERAL DIRECTIONS 2,3 AND 4

The Cheque and Credit Clearing Company welcomes the opportunity to respond to the Payment Systems Regulator's consultation on "Proposed changes to reporting requirements for general directions 2,3 and 4".

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;
- 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;
- Delivering innovation such as the Image Clearing System (ICS), which will bring the cheque into the digital age via the implementation of an image-based cheque clearing process in the UK.

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 questions

Q1: Do you agree that the PSR should introduce a single compliance report under General Directions 2, 3 and 4? Please explain the reasons for your answer.

Because there is some subject overlap between General Directions 2 and 4 we would welcome such a proposal.

Q2: Do you agree that the PSR should set the deadline for the combined compliance report required under General Directions 2, 3 and 4 to be the 31 October? Please explain the reasons for your answer.

C&CCC is not required to submit a self-assessment to the Bank of England under Part 5 of the Banking Act 2009, and therefore for C&CCC there was never any potential advantage of aligning the self-assessment and the reporting under the General Directions. We would therefore be content for the reporting date under the General Directions to be moved to 31 October.

Confidentiality

C&CCC is content for this letter to be made available to the public. We will be making it available through our website.

Conclusion

C&CCC considers that these proposed changes to the General Directions are the correct and pragmatic way forward, and we would, of course, be happy to meet with the PSR to discuss this response.

Yours faithfully

Steve Grigg
Interim Chief Executive Officer