

Section 3: Efficiency

3.1 - Cheques and the Cheque Guarantee Card Scheme

Q1	<i>The Payments Council is minded to develop a proactive industry plan to manage what it sees as the irreversible decline in cheques. Do you agree that a plan for cheques should be developed?</i>	<i>Most definitely. As the retail markets are currently progressing towards this, this would be an opportunity for other industries to follow. Other viable alternatives would have to be well researched. It is also important to get the message across to companies and consumers of alternatives.</i>
Q2	<i>For which types of payment currently made by cheque do new alternatives need to be introduced?</i>	<i>Trustees who act as post box for customers, IFA's, annuities. This is from the perspective of a Life Assurance Company.</i>
Q3	<i>Would it be acceptable for the National Payments Plan to include a target date of 2018 for the closure of the cheque clearing (on the assumption that acceptable alternatives to cheques have been developed)?</i>	<i>This would be more of a benefit to businesses if the deadline was less than 10 years – preferably 5-7 years. The current retail market is already in decline for cheques, this is the opportunity to implement earlier. Question for conference – How did the Netherlands & Sweden implement the process and what timescales did they work to? Can we learn any lessons from them?</i>
Q4	<i>What sort of education of users is needed to support the migration away from cheques?</i>	<i>This needs to well publicised - media – TV, newspapers, Internet, Post Offices, Radio, Banks, Building Societies, places of employment, consumer groups and the Government.</i>
Q5	<i>Do you agree that, as part of the National Payments Plan, there should be an objective review of the future of the Cheque Guarantee Card Scheme?</i>	<i>Yes</i>
Q6	<i>What other actions, if any, should there be in the National Payments Plan in relation to cheques?</i>	<i>Support from Government</i>

3.2 - The Credit Clearing

Q7	<i>Do you agree that, as part of the National Payments Plan, there should be an objective review of the future of the paper credit clearing?</i>	<i>Yes</i>
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3.3 - Cash

Q8	<i>The Payments Council believes that the National Payments Plan should be developed on the assumption that cash will remain a major payment method for the foreseeable future. Do you agree?</i>	<i>Dependant on whether the market still focuses on cash, also cash is still convenient for general public and retail markets. From a Life Assurance perspective cash cannot be accepted.</i>
Q9	<i>Should the issues of the supply and quality of notes and coin in circulation be within the scope of the National Payments Plan? If so, how should they be addressed?</i>	<i>No</i>
Q10	<i>What other actions, if any, should there be in the National Payments Plan in regard to</i>	<i>No particular view, Life Assurance companies cannot accept cash as method of payment.</i>

	cash?	
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3.4 - Direct Debits

Q11	<i>What improvements would lead to the greater take-up of direct debits by users?</i>	<i>Consumer confidence, process that is easy to use and understand. Accessible to customers.</i>
Q12	<i>Would you support the introduction of a time-limited guarantee for direct debits in place of the current unlimited guarantee?</i>	<i>Yes</i>
Q13	<i>If so, what time limit do you think would be appropriate?</i>	<i>Three months</i>

3.5 – Direct Credits

Q14	<i>What measures to improve the accuracy and end-to-end delivery of reference information, with internet and telephone banking payments and with other direct credits, could usefully be introduced?</i>	<i>Increase the current reference fields from 18 characters. Although this should not be as much as the 140 characters that Faster Payments will provide. We need to agree standards for payment referencing, which should be unique information that beneficiaries can use to identify payment receipts. This should be across industry types.</i>
Q15	<i>Are there any other enhancements you think should be made to direct credits?</i>	<i>Clear usage of the bacs fields, this would appear to be dependent on originators payment processes on what payment information is received. Redesign the bacs fields so that an obvious reference field is used. There is ambiguity in some companies as to whether to use payee fields or roll no fields to supply additional information. Also the facility to reject Direct Credits which to do conform to referencing standards.</i>

3.6 – Credit cards, debit cards and cash machines

Q16	<i>What opportunities would you identify to exploit the ATM infrastructure for non-cash transactions? How should these be reflected in the National Payments Plan?</i>	<i>Information on other products</i>
Q17	<i>Which other, if any, actions should there be in the National Payments Plan in relation to credit and debit cards and cash machines?</i>	<i>No particular view</i>

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3.7 – CHAPS and the Wholesale Markets

Q18	<i>What improvements should be made to the way in which payments in the wholesale markets are carried out?</i>	<i>Longer trading hours to make payments. Standard referencing adopted in line with direct credits.</i>
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3.8 – SEPA and Cross-Border Payments

Q19	<i>What should the Payments Council do to ensure that users in the UK can take best advantage of SEPA?</i>	<i>There should be more advertising of SEPA and education to users so they have an understanding of what transactions can be processed. There doesn't appear to be great visibility of SEPA within the UK</i>
Q20	<i>What issues does SEPA raise for your use of payments?</i>	<i>Question for conference – will SEPA become a UK standard?</i>
Q21	<i>What improvements should be made to cross-border payments?</i>	<i>Quicker, cheaper and guaranteed times for monies to be credited to beneficiary accounts.</i>

3.9 – Measures to enhance users' efficiency

Q22	<i>What measures to enhance users' efficiency should be considered by the Payments Council?</i>	<i>Education of all products and how they can fit into business/every day life.</i>
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Section 4: Innovation

4.1 – Contactless and Prepaid Cards

Aegon response to National Payments Plan consultation 01-02-2008

Q23	<i>Do you agree that at the present stage of market development the contactless and prepaid card sectors are best left to initiatives from individual payment service providers and the card schemes?</i>	<i>Yes</i>
Q24	<i>What support, if any, could the National Payments Plan offer to the development of contactless cards? In particular, is further action needed to ensure that the standards for contactless cards meet the needs of all sectors of users?</i>	<i>No view, not sure if our business could use contactless cards as a means of settlement</i>
Q25	<i>What support, if any, can the National Payments Plan offer to the development of prepaid cards?</i>	<i>No view</i>

4.2 – Mobile Payments

Q26	<i>What role should the Payments Council play in the development of mobile payment services, including setting the standards for mobile payments?</i>	<i>Facilitator</i>
Q27	<i>In particular, do you agree that the National Payments Plan should support the development of mobile payment services between bank accounts?</i>	<i>Yes</i>
Q28	<i>What principal characteristics would users find attractive in a mobile payment service?</i>	<i>Excellent security</i>
Q29	<i>What role do mobile phone payments potentially play in providing alternatives to traditional forms of payment?</i>	<i>This could lead to a decline in the use of cash</i>
Q30	<i>What other actions, if any, should there be in the National Payments Plan in regard to mobile payments?</i>	<i>No view</i>

4.3 – Supply Chain

Q31	<i>Do you agree that the Payments Council should indicate support for the work of the</i>	
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Aegon response to National Payments Plan consultation 01-02-2008

	<i>European Commission Steering Committee on e-invoicing and associated activity, including the development of international standards that facilitate supply chain efficiency?</i>	<i>Yes</i>
Q32	<i>What role should the National Payments Plan play in moving this agenda forward?</i>	<i>No view</i>
Q33	<i>What other actions should be included in the National Payments Plan?</i>	<i>No view</i>

4.4 – Other Innovations

Q34	<i>What other payment innovations requiring action at industry level should be considered by the Payments Council?</i>	<i>No view</i>
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Section 5: Other Issues

5.1 – Education in Payment Matters

Q35	<i>What gaps are there in current financial educational initiatives in regard to payment matters?</i>	<i>There are no information packs on the different types of payment methods available and when it would be most appropriate to use them.</i>
Q36	<i>What role can the Payments Council play in promoting the education of consumers about the choice of payment methods available to them? What other bodies should it work with to deliver this role?</i>	<i>Using the government, banks and corporates to drive information</i>

5.2 – Financial Inclusion

Q37	<i>What role can the Payments Council play in promoting financial inclusion?</i>	<i>Education</i>
Q38	<i>What other bodies should it work with to deliver this role?</i>	

		<i>Government, banks</i>
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5.3 – Payment System Integrity and Contingency

Q39	<i>What are the main challenges to the integrity of payment systems that need to be addressed collaboratively?</i>	<i>Keep costs down, have set and agreed standards. Education around the processes and contingency arrangements.</i>
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5.4 – Fraud and Security

Q40	<i>How should consideration of measures against fraud be included in the assessments which the Payments Council makes of proposals for innovation?</i>	<i>No view</i>
Q41	<i>How can the National Payments Plan assist with issues of customer authentication? To what extent do these need to be addressed across the payments sector?</i>	<i>No view</i>
Q42	<i>Should minimum standards be introduced for authentication of remote transactions? If so, should a common measure of authentication be recommended/mandated?</i>	<i>No view</i>
Q43	<i>How should the National Payments Plan address new technologies, such as biometrics, which may contribute to customer security?</i>	<i>No view</i>
Q44	<i>What actions, if any, should the National Payments Plan include in regard to data sharing?</i>	<i>No view</i>
Q45	<i>How can the National Payments Plan help ensure that the burden of fraud prevention is shared equitably across payment service providers and users, including SMEs?</i>	<i>No view</i>

Aegon response to National Payments Plan consultation 01-02-2008

Q46	<i>What role should the Payments Council play in raising the profile of fraud and security issues and in lobbying government and the public authorities?</i>	<i>No view</i>
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5.5 – Standards

Q47	<i>What should be the role of standards in the National Payments Plan? Are the current principles as agreed by the Board a suitable base from which to start? What role should the Payments Council play in influencing international standards developments?</i>	<i>The Payments Council should be developing enhanced standards, and keep these in line with any European or Global standards. Agreed that the proposed base is a good starting point.</i>
Q48	<i>What, in particular, should the National Payments Plan say about messaging standards?</i>	<i>That these should be consistent and in line with European/Global standards.</i>

5.6 – Payment Costs

Q49	<i>Would you support an initiative, led by the Payments Council, to establish a better understanding of the costs of UK payments? If so, how do you think this should be taken forward? What supporting information do you think would be relevant for such an exercise?</i>	<i>Yes.</i>
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