

## Case Study

# Successfully managing industry change for Confirmation of Payee

## Our role in the industry-wide transformation

The financial services landscape is continually evolving to meet the needs of a dynamic market. In September 2023, Pay.UK announced a strategic decision to re-platform the Confirmation of Payee (CoP) service onto a new technical infrastructure. This change aimed to enable significant growth, introduce new access models, and support expanded use cases like Enhanced Fraud Detection (EFD) and Authorised Push Payment Recovery (APPR). While the initiative presented a valuable opportunity, it also posed substantial challenges for participants, including tight timelines and complex technical requirements.

As an established leader in payments technology, Form3 played a pivotal role in supporting our customers through this critical transition. This case study highlights how our expertise and proactive approach ensured our customers navigated the change with confidence and success.

### The Challenge



## Industry-Wide Transformation Under Pressure

The re-platforming of the CoP service by Pay.UK required full industry collaboration, involving over 140 members across a tight regulatory timeline. Starting with a RFP in September 2023, Pay.UK then in H1 2024 selected a vendor, developed technical specifications and issued legal documentation. Key milestones included the completion of infrastructure testing by July 2024, participant connectivity testing by August, and the final switchover event in September. The deadline for regulatory compliance, under PSR SD17, followed in October 2024.

The challenge was multifaceted: participants had to align with new technical specifications, ensure seamless connectivity, and meet demanding testing requirements—all while maintaining service continuity for end users.

## Customer Benefits and Tailored Approach

Customer benefits	Our approach
Scheme Liaison & Planning	Starting with a RFP in September 2023, Pay.UK then in H1 2024 selected a vendor, developed technical specifications and issued legal documentation.
Technical Build	<p>Adaptation of our micro-services-based CoP product to the new technical requirements.</p> <p>Development of the ability to 'dual run' both old and new schemes ensuring seamless switchover of traffic at go-live.</p>
Industry Testing	<p>Liaison with Pay.UK to manage environments and simulator access per customer. Shortly after provisioning the first test access, provided the ability to:</p> <ul style="list-style-type: none"><li>• Establish network connectivity with the industry test environment and communicate with the scheme simulator</li><li>• Complete the assigned requester and responder tests</li><li>• Cycle through the testing for each customer and issue each with their Conformance Certificates to share with Pay.UK</li></ul>
Directory Configuration	Configuration of each customer's directory with certificates and endpoints following customer promotions from test into live, by Pay.UK
Dynamic Client Registration	Completion of DCR registration with the other CoP participants as they became available on the network.
Industry Live Proving	Conducting buddy testing with other participants for each customer to live prove the service and iron out any production issues.
Switchover Event & Go-Live	<p>Replanning of our approach following the last-minute decision to delay by two weeks to allow participants more time for readiness activities.</p> <p>Switching of live transactions with minimal disruption on switchover day (Sunday 8pm). Attendance at Pay.UK bridge to provide updates.</p> <p>Registration of customers with the 'single-runners' as they became available on the CoP network following the switch event. Management of roll back on behalf of our customers in case of an industry-led decision to 'back-out' the change.</p> <p>All services were running as expected at the event close at 11:30pm. Over the following days we monitored and gave customer updates.</p>



## Case Study – Currencycloud

When Currencycloud, a Visa solution focused on simplifying cross-border payments, sought to strengthen its fraud prevention offering in the UK, it partnered with Form3 to integrate a Confirmation of Payee (CoP) Requester Service. This service enables Currencycloud's clients to verify account holder and payee details before processing payments, reducing both payment misdirection and authorised push payment (APP) fraud.

Form 3's API driven technology offers seamless account verification, allowing Currencycloud to provide real-time security checks without disrupting the payment experience. By ensuring that customer transactions are routed securely and accurately, this collaboration helps protect businesses and their clients from rising fraud threats.

This partnership demonstrates how Form3 continues to work closely with innovative financial institutions to deliver best-in-class fraud prevention tools that reduce risks and builds trust in account-to-account payments across the UK. Currencycloud's clients now have access to an additional layer of protection, safeguarding their payments with minimal friction.



Utilising Form3's best-in-class technology provides Currencycloud and our clients access to a robust and resilient fraud prevention solution. Our partnership with Form3 adds further value to our offering and allows us to be more competitive in the payments market.



**Mark Ledsham**

COO at Currencycloud

## Executing the Transition



## A Case in Excellence

Form3's execution framework emphasised agility, reliability, and foresight. We worked closely with Pay.UK and other participants to ensure all requirements were met including:

01

### **Seamless Dual-Running:**

By enabling dual operation of both the old and new CoP schemes, we minimised disruption during the transition.

02

### **Proactive Testing:**

Registration of customers with the 'single-runners' as they became available on the CoP network following the switch event. Management of roll back on behalf of our customers in case of an industry-led decision to 'back-out' the change.

03

### **Switchover Management:**

Ensuring a smooth transition on switchover day by manually triggering caching and automatically initiating DCR with other participants. Presence on the Pay.UK bridge ensured real-time updates and rapid issue resolution.

04

### **Post-Switchover Support:**

Continued monitoring of services, provision of updates, and resolution of any bilateral issues directly with counterparties and technical service providers following the event.

## Don't let outdated payment infrastructure hold your organisation back.

Embrace the future of payment processing with Form3 and join the ranks of successful banks and fintechs leveraging our innovative platform. Get in touch with our team of experts today.

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