

RTGS Renewal Programme – Roundup

May 2024

Our vision is to develop an RTGS service which is fit for the future, enabling greater resilience, broader access, wider interoperability, global harmonisation, improved user functionality and strengthened end-to-end risk management of CHAPS the UK's High Value Payment System.

Hello,

Welcome to a roundup of all the latest news and updates from the RTGS Renewal Programme.

In February, after careful consideration, the Bank concluded that given the importance of RTGS and CHAPS and the criticality of operational resilience, it was prudent to defer the launch of Transition State 3 of the RTGS Renewal Programme.

We have completed an impact assessment and in April announced that the introduction of the new RTGS core ledger and settlement engine will now take place in autumn 2024.

In setting the revised timeline we considered a range of factors including the congested change window for payments globally, feedback from industry and the desire from the Bank and industry to deliver TS3 promptly.

The revised timeline has restored contingency time, as well as introducing an additional window for familiarisation and user set-up over the summer.

We are also allowing more time for participant testing by extending Participant Acceptance Testing (PAT) Phase 1 and de-coupling PAT Phase 2 from Participant Group Testing (PGT) so that these activities will now run sequentially. The new implementation timeline seeks to avoid structured testing activity over the summer and aims to accommodate other major infrastructure upgrades. As previously, it includes multiple dress rehearsals to thoroughly exercise the transition to the new core ledger and settlement engine.

We communicated our revised timeline at our bi-annual industry event on 18 April, which was well attended by a wide spectrum of stakeholders.

For any further information, please don't hesitate to contact RTGSEngagement@bankofengland.co.uk.

RTGS Engagement

Programme Update

- In early March, we completed the first internal dress rehearsal in a non-production (test) environment and will repeat this exercise in May.
- We are conducting a mirroring test phase to prove that we can consistently reconcile transactions between RT1 and RT2 using actual historic activity. Mirroring involves a dedicated test-engine constructed explicitly to prove the reconciliation between the existing and renewed RTGS service.
- Training materials (guides, videos and user manuals) have been shared to support PAT Phase 1. We have provided guides and videos to support PAT Phase 2, with detailed user guides to follow for Billing and external Reporting and Analytics.
- Part of the programme replan has involved careful consideration of functionality and what may be deferred to post TS3 go-live. This unfortunately included the decision to defer Group Level Access – and we held a seminar for those impacted on 17 April, explaining the alternative access arrangements that will be available. We are also updating user guides to support this.
- We plan to update industry on progress at the end of May and mid-July. As always, the Bank's priority will be to ensure the current and future smooth running and operational resilience of the live RTGS and CHAPS services, and this will be front of mind at key decision points.

Update on ISO 20022 for RTGS/CHAPS & the Future Roadmap

- Following TS2.1 go-live in June 2023, it has been possible to send ISO 20022 enhanced data within CHAPS payment messages. However, as a result of the revised timeline for Transition State 3, we have now postponed the date we will mandate the use of Purpose Codes for property transactions and Purpose Codes and LEIs for payments between financial institutions until **1 May 2025**. For more information, please see the [Policy Statement](#) published on 12 April.
- In April, we set out our [Change Management Framework](#) for the maintenance of the CHAPS and RTGS message schemas and technical guidance. We are actively engaging with CHAPS Direct Participants on the approach to future changes to the ISO 20022 change schemas. This has included dialogue at working groups as well as via a survey. The first schema change is expected in November 2025 to bring in structured addresses, a number of fixes, CPMI requirements, and changes to align with HVPS+ and CBPR+.
- For more information on the benefits of enhanced data, please see Victoria Cleland's recent speech [ISO 20022: Reaping the benefits for the payment's ecosystem](#), and our [ISO 20022 Handbook](#).
- Over the past year, considerable progress has been made in collaboration with industry in the co-creation of the future roadmap of RTGS beyond 2024, as we continue to engage with key stakeholders to understand and prioritise the new features that are becoming available in the renewed RTGS system.
- In February, the Bank published two discussion papers, to seek industry views on [RTGS and CHAPS operating hours](#) and [RTGS access policies](#). These aim to be the basis for further research and dialogue with industry.