

Delivering a roadmap for payments transformation

CASE STUDY

Our Client is a leading UK financial institution, with a retail customer base of over 15 million. They are the second-largest provider of household savings and mortgages in the UK and have been repeatedly ranked top for customer service within their High Street peer group.

The resiliency and performance of their payments systems needed to be addressed: their complex IT estate meant that changes were slow and costly; there were also concerns over how the system would be able to handle the forecasted payment volume increase, driven by Open Banking and PSD2.

There was a clear need to:

- Define a target payments reference architecture to provide a “best in class” payments platform that not only addressed the existing issues, but also provided a solid base to handle future growth and industry initiatives
- Develop an architecture roadmap to transition to the target state

Using our industry expertise we shaped and drove this activity to deliver the results they needed.

Why Icon Solutions

We were selected for this project because of our proven success working with other banking clients on similar payments architecture transformations. We understood the risks of their current systems and were able to demonstrate a clear vision for the roadmap that not only addressed their current challenges, but was also future-proofed to evolve in line with business and industry requirements.

Our Approach

Defining a target payments reference architecture

Icon formed a joint team with our Client’s payments enterprise architects to enhance their payments architecture capability and meet their technology and business strategy.

- We defined an operating model for architecture development and delivery, based on industry standard TOGAF methodology adapted to the Client’s environment. This took into consideration the Client’s ambition to embrace new ways of working by focussing on agility, collaboration and a ‘test and learn’ approach.

- We then developed a payments target reference architecture which comprised of reusable architecture building blocks for subsequent payment programmes
- We refreshed the existing payments architecture roadmap to depict meaningful, coherent transitional states, each moving towards the target

These activities and deliverables were produced in close collaboration with our Client's payments enterprise architects and key SMEs. This approach of working within a closely integrated team, rather than just providing external consultancy, ensured that the output was well aligned to our Client's environment and strategic goals.

Developing an architecture roadmap

One of the key building blocks in the target architecture was a payments hub to deal with UK-domestic retail payments, along with other key capabilities such as mandate management and diarised payments.

Our recommendation was to procure an "off the shelf" payment platform solution from the market, rather than building internally, and host the solution in a cloud environment to leverage the associated benefits of resiliency, scalability and availability.

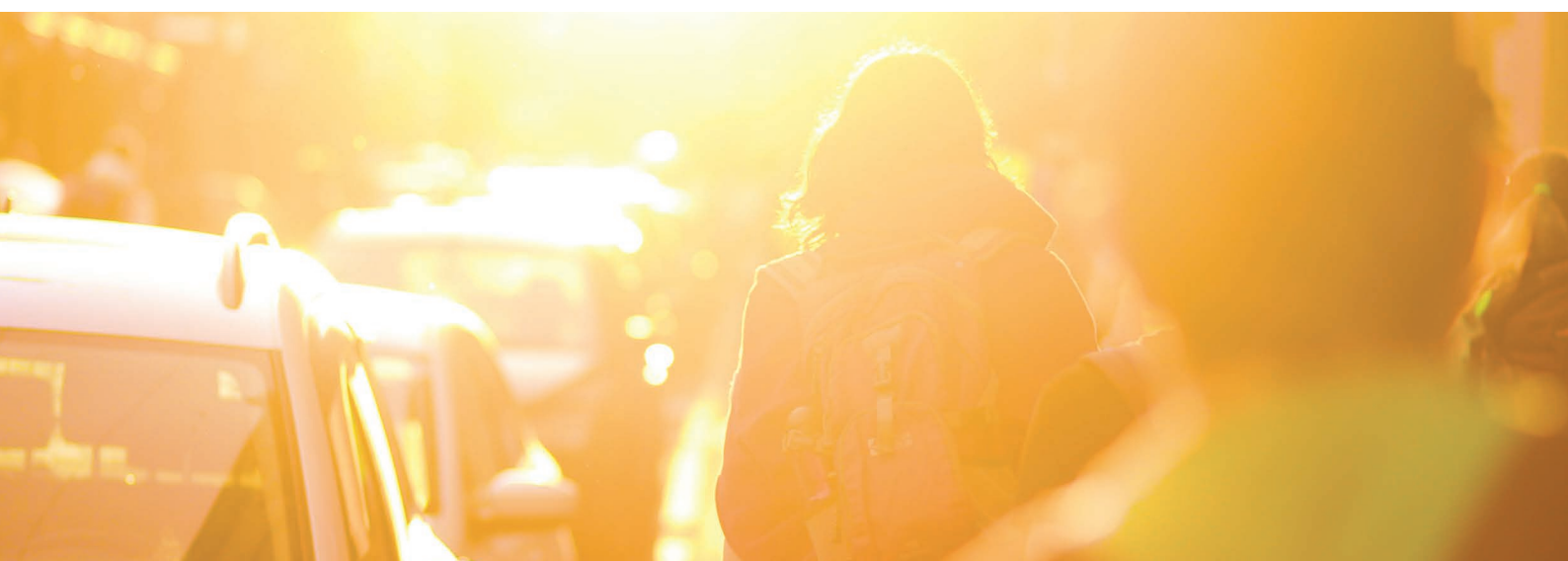
Our Client needed a procurement exercise for the payment platform and Icon led this exercise from a functional and architecture perspective by:

- Framing the requirements to be satisfied by the chosen vendor payment hub solution
- Performing detailed assessment of the vendors' solutions across the functional and technical dimensions, including the different cloud hosting solution options

Outcomes

Within a short timeframe of eight months, we:

- Defined a target payments reference architecture which met Our Client's objectives in terms of resiliency, performance, simplification and agility
- Provided a framework to deliver the target payments architecture, as well as catering for future industry initiatives such as the UK's New Payments Architecture (NPA)
- Developed a clear roadmap which identified "what good looks like" and the steps to achieving this
- Delivered an assessment of our Client's card processing IT estate and provided recommendations for addressing key pain points
- Led the payments platform procurement exercise from a functional and technical perspective to support the procurement decision



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