

Case Study

Payac – Evolving Payments for Irish Credit Unions



Background

Payac Services CLG is a shared services company established by Ireland's Credit Unions to facilitate the provision of current account services to their members. It is the only Credit Union Services Organisation (CUSO) of its kind in Ireland, directly owned and operated by participating Credit Unions.

Member Credit Unions have 1.2 million members and a presence in over 150 locations throughout the country. Payac assists Credit Unions in developing, implementing and providing ongoing support for payment account services. This includes setting standards and negotiating third-party services and outsourcing arrangements on behalf of its participating Credit Unions.

From the outset, Ireland's Credit Unions founded Payac with a determination to modernise their service offering and provide their members with a real choice for their day to day financial needs. Payac sought to create a modern, full service banking solution, including full access to Single European Payment Area (SEPA) cross-border payments, standing orders, direct debit facilities, debit cards provided by Mastercard, contactless payments and e-commerce capabilities, as well as overdraft facilities.

The Challenge

Payac were looking for a knowledgeable card issuer who could work quickly and efficiently, but also collaboratively. They needed a partner capable of working with 34 different credit unions across a wide range of technology interfaces and different banking platforms.

The core challenge was to draw these diverse platforms and technologies together to create a single solution with a debit Mastercard product and other functionality as described above. This meant liaising between member Credit Unions, the card issuer selected by Payac, their payments processor, and Mastercard - Payac's chosen payment network.

The Solution

“One of the key differentiators for TPL from our perspective was their focus on solving the technological problems first – then looking at the financial benefits”, said Seamus Newcombe from Payac.

From the outset, TPL listened to Payac’s specific requirements. Our team was careful not to drive towards an “off the shelf” solution, but to draw both on our findings from initial discussions with Payac and our evolving understanding of their needs. Based on this extensive discovery process, TPL developed a range of implementation options for Payac which were fully risk assessed and realistically costed. TPL delivered the debit card solution as part of the Member Personal Current Account Services within four months, successfully rolling this platform out across 30 of Payac’s members by October 2019.

“In our experience, traditional banking service providers are more focused on the financial outcomes first, then on finding technologies that fit those outcomes. TPL were the right fit for us: they helped create a solution which integrated our member’s individual systems seamlessly with those of partners like Mastercard. And TPL took great care to ensure full regulatory compliance at every stage of the process.”

- Seamus Newcombe, Payac CEO.

The Benefits

Payac’s implementation of Current Account is now seen as a major evolution in the Irish Credit Union market, enabling Credit Unions to offer a suite of payment services which are more attractive to their members, and providing members for the first time with a real alternative to commercial banks. Seamus Newcombe, Chief Executive of Payac, commented:

“This is a very important milestone in the development of the credit union sector in this country. It means credit union members with savings and loans will now be able to get a competitive current account from their trusted credit union, and they will no longer need to go to a bank to get this service. For the first time, credit unions are able to provide their members with a real choice for their day-to-day financial needs. And this new service, which will be accessible globally and digitally, will enable credit unions to become even more relevant to their members in our ever-increasingly digital world. The introduction of this service would not have happened without the cooperation and willingness of Transact Payments and our other third party suppliers to engage with us in developing current account.”

About us

Transact Payments Limited (TPL) has built a reputation as the go-to experts for payment and card solutions. We provide innovative and flexible European BIN sponsorship and modular payment, debit and prepaid services. We are a licensed European e-money institution and a Principal Member of both Mastercard and Visa. Our licenses have been successfully passported into EU and EEA member states, allowing us to issue prepaid card programs across Europe. We are regulated by the Gibraltar Financial Services Commission.

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