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Payment options open up with PayPoint OpenPay

OVO becomes first client to use innovative digital payment solution for Alternative Fuel Payments to their customers

3rd May 2023 - PayPoint, working in partnership with OVO, launched their new OpenPay service in March 2023 to make the Government's £200 Domestic Alternative Fuel Payments (AFP) to OVO customers that use alternative fuels for heating instead of mains gas.

OpenPay delivers a unique, cost-effective alternative to cheques and bank transfers, giving energy suppliers the means to offer customers the choice of depositing the payment into their bank account using a QR code or collecting payments in cash at one of PayPoint's 28,000 retailers. OVO commissioned the use of PayPoint's Confirmation of Payee name and bank account checking service, part of its extensive Open Banking solutions, to protect their customers against fraud.

PayPoint accelerated development of the solution to be ready in time to deploy for the AFP scheme. OpenPay is being used by three energy suppliers to compliantly deliver AFP payments straight to customers' bank accounts, with over 30% of customers opting for this method from day one despite this being a new payment solution.

Mark Robson, VP Commercial Development of OVO Energy said, *"OVO wanted to give our customers the option to securely receive their AFP payment directly into their bank account. Over 30% of customers redeemed payments straight into their bank account, and their feedback confirmed the ease and convenience of the OpenPay service."*

Danny Vant, Client Services Managing Director at PayPoint concluded, *"Our own research has shown that although many consumers have a bank account, they want to choose how they get paid on a case-by-case basis, opting for payment in cash or by direct to their bank, depending on the status of their account at that moment in time. OpenPay is a powerful tool in the box for any organization that understands customers need this choice. Empowering people to receive payments they are entitled to in the method that is most convenient for them, boosts customer confidence, loyalty, and retention."*

OpenPay is based on the UK's world-leading Open Banking Standards and industry guidelines to drive competition, innovation, and transparency in UK retail banking. The benefit to clients making payments with OpenPay is that a single-payment method can now be used to pay all customers, irrespective of their changing preferences. In doing so, it removes the need for clients to collect and confirm bank details from customers and reduces the GDPR risk in storing and handling such sensitive data. As a viable alternative to cheques, it is faster and more convenient for customers while removing the considerable costs involved with this method of payment. Crucially, it protects customers against the ever-increasing risk of fraud by ensuring payments can only be made to verified accounts.