

6 August 2025

Australian Payments Plus

Via email: consultations@auspayplus.com.au.

Re: Building the Future of Account-To-Account Payments in Australia - Public Consultation on NPP Capabilities

To Whom It May Concern:

The Association of Digital Service Providers Australia New Zealand (DSPANZ) welcomes the opportunity to submit this on behalf of our members and the broader business software industry.

About DSPANZ

Digital Service Providers Australia New Zealand is the gateway for the government into the dynamic, world-class business software sector in Australia and Aotearoa New Zealand. [Our members](#) range from large, well-established companies to new and nimble innovators working at the cutting edge of business software and app development on both sides of the Tasman.

DSPANZ supports Australian Payments Plus (AP+) in developing a bulk payments service and pursuing further capability enhancements that would support Digital Service Providers (DSPs) and how they currently facilitate payments for their customers.

In the submission, DSPANZ provides the following feedback:

- The availability of a bulk payments service through the New Payments Platform (NPP) is critical for DSPs to continue supporting their customers with payroll and super payments.
- Account validation, fast rejection notifications and additional data in the payment message would be useful features as part of a new bulk payments service.
- The current Superannuation Guarantee (SG) quarterly due dates should be considered as time-critical payments within a new bulk payments service to avoid employers receiving penalties for late payments. In a Payday Super environment, where SG contributions are more frequent, these payments will become even more critical.
- A standardised payment instruction format supports interoperability across the payments system and helps to create a consistent customer experience.

DSPANZ looks forward to continuing to work alongside AP+ on the consultation and development of a new bulk payments service, as well as identifying capability enhancements. We continue to provide feedback and opportunities for enhancements in the Payments Working Group, co-chaired with AP+.

We welcome the opportunity to provide further feedback on our submission. Please contact Maggie Leese at maggie@dspanz.org for more information.

Yours sincerely,

Signed by:

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Chris Denney,
President & Director
DSPANZ.



Bulk Payments

Identifying use cases and service features

1. What particular use cases would you be interested in using the new bulk payments service for?

DSPs would use the new bulk payments service primarily to facilitate salary/wages and super transactions for their customers.

Enabling DSPs to continue supporting a single transaction (e.g., a single contribution payment to a super fund for multiple employees/members) from an employer's bank account simplifies the reconciliation process and protects employees' privacy.

2. What specific service features would be of the most value to you and why? What aspects of the end user experience would be considered critical?

Our members have provided feedback that the following are valuable service features of the new bulk payments service:

- Account validation
- Fast notification of rejected payments
- Additional data in the payment message would be a valuable offering for payroll.

Understanding processing requirements for bulk payments

3. What specific operational processes need to be considered for bulk processing?

DSPANZ recognises that bulk payments involving salary, wages, or superannuation will have specific requirements that need to be catered for in a new service. We expand on these requirements below and continue to provide feedback to AP+ through the Payments Working Group.

4. Are there any specific considerations that need to be accommodated for peak processing periods, such as Easter and Christmas? For example, are there time critical or regulatory requirements in which funds need to be received?

The current Superannuation Guarantee (SG) quarterly due dates should be considered as time-critical payments to avoid employers receiving penalties for late payments.

In a Payday Super environment, where SG contributions are more frequent, these payments will become even more critical to support employers.

Processing Times

5. What would be your expected or preferred process time for these payments (please give a timeframe and reason why)?

DSPANZ has suggested that there is a need to introduce a “wholesale” PayTo agreement to support employer processing of salaries, wages, and super, which will often be significantly greater than the current \$25K limit.

It may be appropriate to consider a delay in sending a wholesale PayTo agreement (for example, 1-3 hours) to support payroll teams in making any corrections or oversights prior to sending.

AP+ has the opportunity to test this approach with DSPANZ members at the Payments Working Group.

6. If payments within a particular batch get processed at different speeds, how would you like to be provided with updates on the payment status. For example, would it be as they occur or as a single consolidated response once all payments in the batch have been completed?

Our members would prefer to receive real-time information on the status of payments, which they can then relay to their customers. There could be a progress indicator that supports the sharing of status information.

There may be crucial payments within a batch that need to be cleared as soon as possible. Equipping customers with this knowledge upfront would then enable them to make an informed choice about how to proceed.

7. Would you need to ability to recall your payment while it is still being processed, i.e. if the payment hasn't been paid to the payee account yet?

Yes. As highlighted in our submission on the future vision for account-to-account payments, errors will continue to occur.

Payroll processing is complex, and there are often late additions to the payroll that will result in changes to the actual amounts being paid.

The ability to embed flexibility into processes will prove valuable for payroll staff and, in conjunction with the approach outlined in question 6, may provide a future direction.

Exceptions and payment returns

9. Is there any specific data that could be contained within the payment message that would assist with more streamlined processing? For example, original transaction ID number or customer reference number.

DSPANZ members have provided detailed information to the AP+ team through the Payment Working Group on data requirements that support the processing of salaries, wages, and super.

Dealing with incidents and outages and associated contingency arrangements

11. Are there any specific considerations that need to be considered when thinking about the impacts of outages or incidents on the processing of payments? For example:

- **Is there specific information that needs to be available during an incident or outage?**
- **Is there an order of priority for processing payments following an outage or incident (such as chronological order or a different order according to urgency of the payment or use case)?**

Payments made for regulatory or compliance reasons should be prioritised, such as SG contributions, to avoid penalties for employers.

Capability Enhancements on the NPP

Development of a standard Payment Instruction format

12. What use cases would need to be supported in a standard payment instruction?

To support the instructions for bulk or batch payments commonly facilitated by DSPs, a standard payment instruction should support payroll and super payments.

13. What features would be required in a standard payment instruction to support end-to-end processing and operations such as reconciliation and error handling?

Consider various aspects such as:

- a. Would you have a need to include both debit and credit transactions in a single instruction?**

Having the functionality to include both debit and credit transactions in a single instruction could be beneficial to DSPs and their customers, depending on how they would like to handle their bulk payments.

- b. Would you want the format to be file-based or API, or do you see a need for both?**

Our members recognise the need for both file-based and API solutions.

- c. Do you require an acknowledgement after submission of your payment instruction?**

An acknowledgement after submission is an important experience for DSP customers.

14. What would be the benefits of having a standardised payment instruction format for NPP payments?

A standardised payment instruction format supports interoperability across the payments system and creates a consistent customer experience.

Currently, navigating the various data requirements across financial institutions is challenging for DSPs, adding complexity to how they build their software and support these differing requirements. While there would be an initial implementation effort to support a standard payment instruction, it would significantly reduce the ongoing maintenance costs of supporting current methods.

15. What potential risks or impacts do you foresee if a standardised payment instruction for NPP payments was not available?

As we have suggested above, if there is no standardised payment instruction, it would create complexity for DSPs. With data-rich NPP payments, it potentially creates the opportunity for further differentiation between financial institutions and what they will accept from DSPs.

Use of batch booking functionality

16. How relevant would batch booking be for your organisation? What use cases or scenarios, if any, would this functionality support?

Batch booking would be beneficial for payroll and super payments to support reconciliation and maintain privacy.

18. What are your preferences or requirements when it comes to reporting? What are your expectations or requirements regarding consolidated information versus individual transaction details? Consider any intra-day notifications you might receive for debits and credits to your account, and end-of-day reporting.

19. Does your organisation currently use trace accounts for returned payments? If so, in what scenarios or use cases are they used, and why are they important for your operations?

Our members have provided feedback that returned payments should be sent to the original account where it was processed. From here, customers should be able to see the reason/s why the payment was returned.