**VRP Working Group Meeting Minutes and Actions**

*Minutes*

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| **Meeting Date:** 3 October 2024 | **Meeting Time:** 10:00 – 11:30 |
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| **Meeting Location:** Microsoft Teams | **Chair:** Euan Ballantyne |
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|  | **Secretariat:** OBL & Pay.UK |

**ATTENDEES**

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| **Participants** | **Organisation** |
| Andrew Neeson | Tink |
| Archi Shrimpton | Lloyds |
| Assia Felemenkdjian | Go Cardless |
| Callum Flaherty | Barclays |
| Callum Lee | Addleshaw Goddard |
| Chris Harris | Mastercard |
| David Bailey | Santander |
| Dharmesh Akotiya | Mastercard |
| Dominic Lindley | Independent Consumer Representative |
| Fliss Berridge | Ordo |
| Gary Aydon | Santander |
| George Miltiadous | HSBC |
| Jack Wilson | Truelayer |
| James Hickman | Trustly |
| Jan Van Vonno | Tink |
| Martijn Bos | Plaid |
| Mike Banyard | Ordo |
| Nicole Green | Yapily |
| Ramjit Lal | NatWest |
| Rebecca Hickman | Addleshaw Goddard |
| Richard Ibell | NatWest |
| Robert Sullivan | Token |
| Sandra Beisly | Nationwide |
| Serenna Cole | Yapily |
| Sharon Hetherington | Amex |
| Tim Birts | Nationwide |
| Tom Trundle-Martin | Truelayer |
| Wayne Jones | GoCardless |

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| **Chair and Secretariat Attendees** | **Organisation** |
| Euan Ballantyne | VRPWG Co-Chair |
| Luke Ryder | VRPWG Co-Chair |
| Christian Delesalle | VRPWG Secretariat |
| Dane Budden | VRPWG Secretariat |
| Danh Nguyen | VRPWG Secretariat |
| Daniel Jenkinson | VRPWG Secretariat |
| Deborah Horton | VRPWG Secretariat |
| Gloria Dsouza | VRPWG Secretariat |
| Keith Milburn | VRPWG Secretariat |
| Lorna Suffield | VRPWG Secretariat |
| Khishi Ganbold | VRPWG Secretariat |
| Jo Ainsley | VRPWG Secretariat |
| Richard Koch | VRPWG Secretariat |
| John Crossley | VRPWG Secretariat |
| Mark Jones | VRPWG Secretariat |
| Nick Davey | VRPWG Secretariat |
| Matthew Wallace | VRPWG Secretariat |
| Russell Hazell | VRPWG Secretariat |

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| **Observers** | **Organisation** |
| Ann Okubadejo | FCA |
| John Fitzpatrick | FCA |
| Peter Cornforth | FCA |
| Mahima Andrew | PSR |
| Richard Martin | PSR |

**ACTIONS**

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| **Action** | **Owner** | **Origin** | **Due Date** | **Status** |
| Feedback on Legal Sub-Group – ASPSPs and TPPs to discuss/agree who you wish to be the 3 representatives from each sector​. | Participants | 3 Oct WG | 7 October | Closed |
| Any further feedback on the MLA Operator Options and Evaluation Criteria​ | Participants | 3 Oct WG | 11 October | Closed |
| Feedback on MLA Operational Resilience and Change Management ​ | Participants | 3 Oct WG | 17 October | In progress |
| Note the dissent regarding exclusion of a participant from the LSG with JROC at the next JROC meeting | Secretariat | 3 Oct WG | 3 October | Closed |
| Secretariat to provide an anonymised comprehensive summary of MLA Operator feedback to the WG | Secretariat | 3 Oct WG | 31 October | In Progress |
| Secretariat to consider consumer testing | Secretariat | 3 Oct WG | November | In progress |

**PREVIOUS ACTIONS**

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| **Action** | **Owner** | **Origin** | **Due Date** | | **Status** |
| 001: Participants to provide feedback on the proposed Terms of Reference | Participants | Email of 10 July and 12 July WG | | 19 July | Complete |
| 002: Participants to provide feedback regarding the proposed approach to disputes using the template or via email | Participants | Email of 10 July & 12 July WG | | 26 July | Complete |
| 004: Secretariat to re-issue previously shared organisational charts for the Programme Implementation Group  VRP WG ToR – re-issue next version in time for next WG | Secretariat | 25 July PWG | | 8 Aug WG | Complete |
| 005: Secretariat to consider the inclusion of Trade Associations at VRP working group | Secretariat | 25 July WG | | 28 Aug | Complete |
| 006: Secretariat to consider level of engagement with UK Finance during analysis of Model Clauses | Secretariat | 25 July WG | | 28 Aug | Complete |
| 007: Secretariat to seek clarification from PSR re timelines for announcements | Secretariat | 25 July WG | | 8 Aug WG | Complete |
| 008: Secretariat to review the API standards to assess their suitability for MI provision for ASPSPs | Secretariat | 25 July WG | | 28 August | Complete |
| 009: Participants to provide feedback regarding the questions raised in the MLA presentation | Participants | 25 July WG | | 8 August | Complete |
| 010: Participants to provide comments on the latest version of the ToRs | Participants | 8 Aug WG | | 12 Aug | Complete |
| 011: Participants to provide comments on the wave 1 sectors and use case proposals | Participants | 8 Aug WG | | 22 Aug | Complete |
| 012: Participants to provide comments on the updated dispute evaluation criteria | Participants | 8 Aug WG | | 14 Aug | Complete |
| 013: Hold seminar to provide more detail to participants on the dispute mechanism options | OBL | 8 Aug WG | | Before 22 Aug | Complete |
| 014: Participants to provide comments on the MLA fraud gap proposals | Participants | 8 Aug WG | | 22 Aug | Complete |
| 015: PSR & FCA to provide an update on the use case research & the outcome of any risk assessment relating to biller insolvency as suggested in the VRP Blueprint | Participants | 8 Aug WG | | 3 Sept | In Progress |
| 016: Participants to provide feedback on the scoring and recommendation for the Dispute System | Participants | 22 Aug WG | | 3 Sep | Complete |
| 017: Participants to provide any written feedback on Operational Requirements for the MLA | Participants | 22 Aug WG | | 5 Sept | Complete |
| 018: Participants to provide any written feedback on the proposed Success Criteria for Wave 1 | Participants | 22 Aug WG | | 5 Sept | Complete |
| 019: Secretariat to consider edits to the governance model to improve ease of understanding | Secretariat | 5 Sept WG | | 19 Sept | In Progress |
| 020: Secretariat to send WG the JROC paper on the dispute system recommendation | Secretariat | 5 Sept WG | | 13 Sept | Complete |
| 021: Secretariat to send participants the paper on the MLA Operator Evaluation Criteria by close 5 or 6 September | Secretariat | 5 Sept WG | | 6 Sept WG | Complete |
| 022: Participants to provide feedback on MLA consumer understanding proposals | Participants | 5 Sept WG | | 19 Sept | Closed |
| 023: Participants to provide feedback on MLA Operator Evaluation Criteria | Participants | 5 Sept WG | | 19 Sept | Closed |
| 024: Participants to provide feedback on proposal for Legal Sub-Group (LSG) & ToR (paper to follow) | Participants | 19 Sept WG | | 27 Sept | Closed |
| 025: Review inclusion of Consumer Representative within the LSG | VRPWG Secretariat | 19 Sept WG | | 27 Sep WG | Closed |
| 026: Participants to provide feedback on MLA Operational Requirements | Participants | 19 Sept WG | | 3 Oct | Closed |
| 027: Participants to provide feedback on MLA Propositions – Consumer Control | Participants | 19 Sept WG | | 3 Oct | Closed |
| 028: Participants to provide feedback on MLA Operational Requirements – Monitoring and Compliance | Participants | 19 Sept WG | | 3 Oct | Closed |
| 029: Participants to provide feedback on MLA Operator – Functional Capabilities | Participants | 19 Sept WG | | 27 Sept | Closed |
| 030: Participants to provide feedback on Unhappy Paths Catalogue (paper to follow) | Participants | 19 Sept WG | | 3 Oct | Closed |

**INTRODUCTION**

EB as chair introduced the meeting and provided an outline of the agenda. The Chair provided a reminder of competition law considerations.

**PREVIOUS MINUTES & ACTIONS**

The minutes of the previous meeting were approved with no changes required. Previous actions were discussed and status agreed.

**PROPOSAL ON A LEGAL SUB-GROUP (LSG)**DN provided an overview of the Legal Sub-Group (LSG), noting updates and nominations received. DN sought feedback from ASPSPs and TPPs to discuss and agree who would be suitable representatives from each sector by close of business October 7.

DN provided clarity regarding upcoming LSG meetings, and outlined dates for when consultation would be finalised and when the first meeting would occur. DN also summaried feedback received, noting agreement to extend the number of ASPSPs and TPPs on the LSG, noting amendments to the ToR regarding quorum and amendments to the ToR to apply to Wave 1 only.

A participant sought feedback on why they were not included in the LSG. DN noted that the LSG is specifically for legal drafting, not to determine policy decisions. DN noted that the WG was more appropriate for the participants feedback. The participant flagged their concern regarding inclusivity. The Chair noted dissent and took an action to raise it at the next JROC meeting.

**MLA Operator**

JC presented an overview of the MLA Operator considerations. JC provided a summary of the feedback to date from the WG – which included the number of respondents, the need for expediency, that any decision shouldn’t preclude other possibilities post Wave 1, and feedback regarding the evaluation criteria and liabilities relating to the CMA9.

JC outlined the direction of travel regarding the MLA Operator. JC noted the Secretariat’s view that options 3, 4 and 5 have the greatest merit. Proposed to develop more detailed thinking on these options.

JC provided more detail on option 5. Outlined the clear separation between OBL and NewCo which addresses the liability concerns of the CMA9. JC also outlined the potential for a range of parties to be included on the Board for the NewCo – potentially a mix of OBL, Pay.UK, ASPSPs and PISPs. JC noted the Secretariat’s view that we do not think it appropriate to allow third parties to tender for the role of MLA Operator.

A participant raised a question regarding how much the MLA Operator budget will be, how long they will Operate and who would pay for it.

JC noted that these points need to be worked through in detail. Noted we are considering what may be appropriate scheme and fees and how long it would take to be self-sustaining.

A participant noted that it would be helpful to understand more about the specific nature of the liability concerns, when providing feedback. JC noted the risk of issues occurring for the MLA Operator, creating potential liabilities. JC explained the potential liabilities for OBL if OBL are directly involved, and how this liability is carried by the CMA9 due to the nature of the CMA order.

RK noted the difficulty in creating an MLA without introducing additional liability risks. RK outlined potential additional liabilities for the Operator which are necessary to operate the scheme – such as sanctions for parties and handling personal data. RK also explained the problems with liability if OBL are directly involved. Noted that we are looking at how the Operator is separated from OBL to eliminate those liabilities, whilst being pragmatic.

A participant asked whether it would be helpful to provide anonymised feedback at a granular level to understand how the thinking is evolving. RK noted the intention to provide a synthesis of that information and provide comprehensive detail and granularity.

A participant asked why we are discarding the option of doing a commercial tender as the recommendation is moving towards a NewCo or SPV solution which takes time to set-up. JC noted the view that the NewCo is a much lighter and more expedient option, and more time efficient than an open tender. Noted that if a more commercially oriented model is the right option moving forward, this can be considered post Wave 1. RK also noted the difficulty with a tender considering the uncertainty regarding the commercial model.

A participant noted the expediency and fit for purpose considerations. Noted that the NewCo structure seems to provide to greatest flexibility for the programme, both facilitating Wave 1 and future waves.

The chair raised the consideration of the PSR’s regulated authority, their role and how it relates to the Operator.

A participant asked whether Pay.UK have to be involved as the Operator, and noted that with APP fraud participants do not have to be a part of Pay.UK to be mandated to do things. The chair noted that there are multiple options for the PSR to consider. RK noted that our thinking on the joint approach focused more on practical considerations – such as the billing mechanism, and highlighted the benefits of the partnership between the standards body and the party providing the payment rails.

**OPERATIONAL RESILIENCE AND CHANGE MANAGEMENT**

ND outlined that this theme is the second of the Operational Requirements, requested feedback by 17 October. ND provided an overview of how we see the service levels working. Noted the proposal to mandate existing service levels that are part of the Operational Guidelines. ND provided further detail regarding the proposal, which included quarterly uptime requirements.

A participant noted that a lot of this is already in the standards. Noted that some participants are working through their understanding of the standards, and noted that there are still some questions regarding whether dashboards are mandated. ND noted that consent dashboards and access dashboards were still out for consultation. ND clarified that as a product, it needs to have 99.5% uptime.

Another participant noted that there are areas of improvement on availability and up time, and that we don’t want to bake in metrics that could be improved. They also asked if there would be an incentive structure in the MLA so that participants all aspire to better availability and better uptime levels, and asked if it could be linked to the commercial model. ND noted that we weren’t looking link this to the commercial model for Wave 1, as that is likely to be hard enough to land without adding complexity. ND also noted that consideration is needed as to how to incentivise this without linking it to financial incentives.

The same participant followed up with a suggestion that if an API is down all weekend, could the PISP get a discount? ND noted that we are considering financial disincentives for outages or instances that do not meet minimum availability or uptime thresholds.

A participant noted the Pay.UK decision for changes to the way VRP payments are made, changing from SIP to FDP. They raised concerns regarding limited input from the WG on this decision and asked whether the impacts were being considered. MJ noted that the change was only for non-attended payments. MJ provided the rationale, noting pressures on processing at certain times of the month with the change needed to meet SLAs of the industry. MJ noted consultation with payment teams across the industry, and noted the expectation that conversations were taking place between payment teams and open banking teams within organisations. MJ noted the benefits of the MLA in bringing the payment initiation and payment execution aspects together.

A participant asked whether the payments may be BACS based and queried whether implications of the changes were considered down the line for e-commerce. MJ clarified that the change was not to a different rail – it is still through faster payments, it was to do with how the flow of payments is managed through central infrastructure, to maintain service levels.

This participant also raised a question regarding PISP uptime assessments. ND noted the expectation that the PISP would be monitoring and reporting any downtime to the Operator, and they would assess whether the amount of downtime met requirements, with some form of sanction if requirements are not met. ND noted that we are not looking to monitor PISPs all the time and would instead do sampling, and it would apply to what the customer/biller faces.

A participant noted that it is a competitive consideration if a TPP had operating hours of 9-5 and queried whether this was an issue. ND clarified that the 99.5% relates to the hours of operation. If a TPP has operating hours of 9-5, they would be measured against 9-5. The focus is on ensuring the product is standardised for consumers.

ND presented the proposal regarding change management. Noted we are trying to reflect what happens in industry and practice generally. ND noted timeframes for change notifications and the proposal to have scheduled changes out of hours only. ND outlined the proposal for change freeze periods, testing prior to go live, and conformance and stress testing.

ND detailed that the cVRP standards will be aligned to the OB Standards, and noted that applicable legislation takes precedence over the MLA. ND also presented that the provision of directory services for Wave 1 is proposed to be the OB Directory on a comparable basis as current sweeping VRP.

**MLA PROPOSITIONS – CONSUMER UNDERSTANDING**

DB presented the follow up proposal on consumer understanding. Noted that we sought and received feedback on our initial proposal which related to UKF model clauses requiring participants to either ‘provide’ or ‘make available’ information.

DB provided an overview of the initial proposal and summarised the feedback from respondents, noting that it was largely supportive. DB noted that one respondent thought the proposal should go further and ‘provide’ all information in clause 2 and 3. DB outlined that information in model clause 2.2C (i-iv) was relevant only in a small number of circumstances and may be confusing to customers if it was provided. DB also clarified the position regarding the time limits within which the customer may raise a dispute about a cVRP and receive an immediate refund.

A participant raised a question regarding what name we plan to communicate to consumers. ND noted that we have discussed at a previous meeting the need for a name. Sought suggestions from the group regarding what we could call cVRP.

This participant also flagged the need for customer experience guidelines to standardise how information is communicated to consumers. ND noted that CoP is an example – it doesn’t require specific wording but it has guidance and most organisations have adopted the guidance wording. ND noted we will be coming up with wording and will consider whether it is required to be used or if it will only be guidance.

A participant agreed with the need for a consistent name and raised concerns with not doing any consumer testing and how cancellation is communicated to the consumer. They also raised concerns regarding compliance with consumer duty. ND and the Chair discussed that we will consider consumer testing and noted that the PSR may have some information.

**RECAP OF ASK DEADLINES**

3rd October: Feedback on MLA proposition on consumer control​, feedback on MLA operational requirements on Monitoring and Compliance, feedback on Unhappy Paths Catalogue ​

7 October: Feedback on Legal Sub-Group – ASPSPs and TPPs to discuss/agree who you wish to be the 3 representatives from each sector​.

11 October​: Any further feedback on the MLA Operator Options and Evaluation Criteria​

17 October​: Feedback on MLA Operational Resilience and Change Management ​

**FINAL COMMENTS AND CLOSE**The Chair thanked participants and closed the meeting.

The next meeting of the VRP Working Group is scheduled for Thursday 17th October.