

Meeting Minutes

Meeting details

Meeting date: 27 May 2021

Meeting name

Implementation Entity Steering Group (IESG)

Meeting time

10.00 – 13.00

Meeting location

Microsoft Teams Virtual Video Conference

Scribe

Sally Chiwuzie

Classification

Public

Name		Role	Attendance
Alan Ainsworth	AA	OBIE – Head of Policy	Yes
Anoushka Thompson	AT	OBIE – Head of Monitoring	Yes
Bill Roberts	BR	Competition and Markets Authority (CMA)	Yes
Caroline Ambrose	CA	Barclays Bank	Yes
Carly Nimmo	CN	HMT	Yes
Daniel Ehreich	DE	Bank of Ireland	Yes
Ed Colley	EC	OBIE – Programme Director	Yes

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Faith Reynolds	FR	Independent Consumer Representative	Yes
Fiona Hamilton	FH	Head of Standards – OBIE	Yes
Gary Sheen	GS	Tesco Bank	Yes
Gavin Littlejohn	GL	Fintech Representative	Yes
Ghela Boskovich	GB	Fintech Representative	Yes
Hetal Popat	HP	HSBC	Yes
Ian Major	IM	TPP Representative	Yes
Imran Gulamhuseinwala	IG	OBIE – Trustee/Chair	Yes
Kate Frankish	KF	Pay.UK	Yes
Mark Chidley	MCH	Independent SME Representative	Yes
Matt Cox	MC	Nationwide	Yes
Nicola Patricia McCleery	NPM	Danske Bank	Yes
Phillip Mind	PM	UK Finance	Yes
Richard Mould	RM	OBIE (Guest)	Yes
Richard Newman	RN	OBIE – Chief of Staff	Yes
Robert White	RW	Santander	Yes
Roy Hutton	RH	Allied Irish Bank	Yes
Ruth Mitchell	RM	Electronic Money Association	Yes
Sally Chiwuzie	SC	OBIE IESG Secretariat	Yes

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Thaer Sabri	TS	Electronic Money Association	Yes
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Apologies

Name	Role	Delegate	
Daniel Globerson	DG	NatWest Group	Stephen Wright (SW)
Helene Oger-Zaher	HOZ	FCA	Tabitha Rendall (TR)
Simon McDougall	SMD	Information Commissioners Office	Jenny Vega Destello (JVD)
Stephen Smith	SS	Lloyds Banking Group	Richard Rous (RR)

No. Agenda item

1.a – 1.b HOUSEKEEPING: MINUTES AND ACTION LOG

- 1.1. **IG** welcomed IESG members to the Microsoft Teams virtual video conference.
- 1.2. **IG** stated that **MCH** asked to raise an AOB. **IG** opened the floor to other AOB requests.
- 1.3. **IG** advised IESG members that the minutes from the previous month's meeting were sent out earlier than normal pack; this exception was owing to the fact that a number of actions had been received and it was a good way to be clear. **IG** stated that some comments were received and incorporated into the minutes, these have been updated into the pack that was circulated. **IG** stated that this was mostly around clarification of language around sequencing for CoP / CRM (2.4.1).
- 1.4. **IG** mentioned that there was a last minute revision request from **HP** – 2.23(A)(2021/42) **HP** spotted that it stated that the CMA9 were required to use the term '*open banking connected account*' where they were acting as it is a TPP, whereby it is not within the mandate of the Order to prescribe what a CMA9 member can or cannot do when acting as a TPP. **IG** asked **SC** to amend in the minutes - when referring to a CMA9 acting as a TPP will be 'should' and not 'must'.
- 1.5. **IG** approved the minutes but allowed for objections. There were none.

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APPROVAL – IESG_APR_LOG_103 – May IESG Minutes - IG approved the minutes from the May IESG.

- 1.6. **IG** moved on to the actions on slide 29.
- 1.7. With regard to action #495 - *Availability Metrics - EC to collate social media and website data around availability metrics and determine whether they can be modified to introduce a new metric or substitute it in a way that aids transparency, but also maintains credibility in the ecosystem*, **IG** explained that this would be discussed at housekeeping. **IG** stated this can be closed.
- 1.8. Regarding action #496 - *Dashboard Naming - DB took an action on the implications of Santander owning the term open banking and its trademark*, **IG** explained that **DB** took an action on the implications of Santander owning the term open banking and its trademark. **IG** stated that this would be revisited at the next IESG as there is a meeting in the diary to discuss this on 28/05.
- 1.9. Regarding action #497 - *Revised Roadmap – The revised Roadmap to be brought back to the May IESG and where there is no certainty of implementation date, this should include the best estimate dates in square brackets*, **IG** explained that this is in the pack and can be closed.
- 1.10. With regard to action #498 - *Future Consultation and Transition Group - IG proposed a meeting with the CMA and UK Finance to decide on the way forward with the transition group and to ensure that this is done correctly taking stock of the feedback from IESG members*, this was discussed and closure agreed.

ACTIONS

Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2020_301_495	28/04/2021	EC	Availability Metrics - EC to collate social media and website data around availability metrics and determine whether they can be modified to introduce a new metric or substitute it in a way that aids transparency, but also maintains credibility in the ecosystem.	Update 27/05 - Closure agreed. Update 21/04 - This is included in the April IESG pack for discussion. Propose to close.	27/05/2021	Closed	27/05/2021

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IESG_2020_301_496	28/04/2021	EC	Dashboard Naming - DB took an action on the implications of Santander owning the term open banking and its trademark	Update 19/05 - OBIE meeting Santander on 28/05 to discuss. Carry forward to the June IESG	30/06/2021	Open	
IESG_2021_301_497	28/04/2021	EC/ AA	Revised Roadmap – The revised Roadmap to be brought back to the May IESG and where there is no certainty of implementation date, this should include the best estimate dates in square brackets.	Update 27/05 - Closure agreed. Update 13/05 - Paper included in pack for noting. Propose to close	27/05/2021	Closed	27/05/2021
IESG_2021_301_499	25/03/2021	IG	Future Consultation and Transition Group - IG proposed a meeting with the CMA and UK Finance to decide on the way forward with the transition group and to ensure that this is done correctly taking stock of the feedback from IESG members.	Update 27/05 - Closure agreed. Update 19/05 - Verbal discussion planned for the May IESG. Propose to close	27/05/2021	Closed	27/05/2021

1.c PROGRAMME UPDATE

1.c.i OBIE STATUS REPORT

- 1.11. **IG** moved IESG members on to the programme update on slide 24, inviting **EC** to give highlights.
- 1.12. **EC** stated that status has not changed, however, significant progress has been made and the prognosis is improving.
- 1.13. On High Frequency MI recommendation are in progress. Overall, **EC** stated that the prognosis is healthy.
- 1.14. On other points to note, **EC** stated that OBIE successfully recertify its ISO security certification and also asked IESG members to recall that the security systems used in the ecosystem need to change from next month from legacy OB certificate to the eIDAS equivalent and while the pack shows that it is 78% complete in relation to TPPs connecting into the CMA9, as at the day before, it had improved to 85%.

1.c.ii CMA9 IMPLEMENTATION UPDATE

- 1.15. **IG** moved on to the conformance dashboard on slide 25 and invited **AT** to provide highlights.
- 1.16. **AT** highlighted an overall good month progress wise. HSBC gone from red to green. LBG have delivered and changed from green to blue for 3.14 and 3.1.5 and the final uplift is in progress and due to complete today – 27 May 2021.
- 1.17. **AT** added that the slide has been updated to reflect that Barclays has completed for RJID.
- 1.18. **IG** thanked HBSB and Barclays, stating that it is good to see improvement across the board.

1.c.iii CMA9 CERTIFICATION DASHBOARD

- 1.19. **AT** asked IESG members to note that dates of firm's previous FAPI certification have been put in where applicable to be able to show visibility on progress to re-certification
- 1.20. AIB have pushed out their dates for AIS functional conformance from mid-May to end of June and this aligns with their other dates. BOI – verbal updates on their functional conformance dates, for AIS and CBPII is Dec 2021 and PIS is March 2022, FAPI is to be confirmed with clarity on dates as they move through their initial implementation plan. HSBC passed PIS functional conformance for their retail brand, still some outstanding issues for their other brands and they are working with OBIE to troubleshoot. For LBG, on the slide FAPI is at amber currently due at the end of the month – this is now red as they are no longer at risk of being missed, it will be missed due to some outstanding technical issues. Of the remaining four issues, two have been fixed, one is expected to be fixed in early June and the final issue whilst the scenario that would lead to the issue it is low likelihood, the solution for it is highly complex and LBG continue to work with their IT third party provider to finalise a solution with the fix dates to be confirmed
- 1.21. Santander (PIS conformance) the firm are awaiting on a patch release from OBIE which should allow the firm to pass the test shortly thereafter, so we are hoping this in imminent.
- 1.22. Cater Allen for FAPI re-certification - the firm have identified the fixes that were planned to be deployed at the end of this month however this has now been delayed due to a bank wide incident that occurred putting a hold on any/all change deployments so we are awaiting new dates to be confirmed

1.c.iv. Performance Improvement Plans (PIPs) Dashboard

- 1.23. **AT** called out that Danske, which is change to slide presented, did make the change they were planning to release however due to other issues outside of this release they have not resulted in the improvements they were expecting; therefore their target date at the end of June is now considered red and the firm are now re-planning change activity to remedy the improvements required.
- 1.24. **AT** stated that HSBC engagement with TPPs the improvements have delivered, and they have now entered into a 3 months monitoring phase commenced 01 May. For PIS response times, **AT** stated that where the firm were targeting the end of July, they will use some of their pre agreed contingency time and the improvement is now expected in August. AIS response times for the firm continues to perform as expected, completing 2 months this month and for HSBC AIS business will close next month we envisage if everything stays as is.
- 1.25. Nationwide have completed their 3-month monitoring for PIS response times.
- 1.26. Santander delivery of their AIS response times improvements mean they continue within benchmark and are in monitoring.

1.c.v. Key Performance Indicators Dashboard

- 1.27. **IG** turned to slide 28, stating that things were moving in the right direction. **IG** was happy to note that the unweighted measure was back to where it was before.
- 1.28. **EC** stated that the average availability improved over the month due to the sole low volume endpoint not having any issues in April. **EC** noted a slight improvement every month, adding that the successful API percentage has marginally improved and for the first time 800,000,000 calls has been exceeded.
- 1.29. **EC** was pleased to note that the number of service tickets have reduced and thanked the CMA9.
- 1.30. Re the availability metrics, **EC** stated that the appendix includes both metrics (weighted and unweighted) but switched the headline to the weighted availability in both online and social media channels, and as per the recommendation to IESG, **EC** asked **IG** for permission to put that into delivery which would appear in July for June data. **IG** opened the floor to broader comments and specifically on the weighted vs unweighted.
- 1.31. **MC** was supportive as it balances the obligations to the FCA and also what is done within the programme which strikes the right balance.
- 1.32. **IG** referred to the layout of slid 28 which should show the update to the metrics.

2.a Roadmap Follow-On Activity (Noting)

- 2.1. **IG** turned to slide 30. **IG** stated that this is an update to what is a standing artefact of reference material. **IG** stated that the ask was to make it clearer to see which actions in governance each of the individual items are associated with. **IG** explained that it is a slide that will continuously be kept updated even where there are square brackets for the dates.
- 2.2. **IG** stated that it is a working document and asked IESG members to alert the team if there are any errors to ensure that it is the most up to date and clear version.
- 2.3. **AA** hoped that this is a rearticulation of what has been seen already at IESG, but also that it is clear. **AA** stated that this is a summary of agreements which have already been agreed either in reports or at IESG. **AA** was hopeful that it is right. Re the square brackets, **AA** stated that they are guesimates for where dates are not known, e.g. where assumptions have to be made on certain activities.

- 2.4. Subject to **EC's** agreement, **AA** thought that this could be tracked at PMG and OBIE internal governance. **IG** advocated this and if there are any items of contention, then they can be surfaced at IESG, negating the need to go through this on a recurring basis. **IG** thought it important to have a repository of everything that is required as the CMA
- 2.5. **GL** had a question on two-way notice of revocation. The position was agreed in 2017 and does not understand how in 2021, it is being questioned as to whether it is going ahead.
- 2.6. **AA** stated that because of aggregated polling, the benchmarks have not been met and are unlikely to be met creating a backstop for when the evaluations will be done. **AA** stated that nothing has really changed since the original. **AA** stated that it has been implemented by the CMA9, but the functionality has not yet been used.
- 2.7. **IG** was happy to discuss this offline.
- 2.8. **MCH** stated that this is useful as an extrapolation of the forecast from March 2021 and serves to show that there are Trustee actions that remain in flight with regard to the Roadmap which is significant to the future of OBIE. Re the date of the 30 June, and as a member of that EAG which has been focussing particularly on A7, it is clear that a lot of these things will not be done (properly) by the end of June and wondered about the slight obsession with the half year point.
- 2.9. **AA** stated that this is what has been committed to in the Trustee actions and if there are issues with reaching the conclusion of those items, then it will be brought back to IESG to request an extension in time, however, at the moment, the plan is to conclude by the end of June.
- 2.10. **MCH** took the example of polling - if things are going to be done properly, then there is no hope of meeting that end date. **MCH** wondered if there could be a Gantt chart measurement. **MCH** stated that the success of these journeys will determine the success of the open banking.
- 2.11. **IG** stated that he would spend time with the team to try and understand how they feel about completing the work for those items with regard to those particular deadlines and then would report back.
- 2.12. **IG** explained that this is a live document and **AA** would be interested in feedback directly or offline where required and also to get this reviewed at PMG.

ACTION - Roadmap Follow-On Activity – IG to discuss feasibility of end of June deadline for completion of Roadmap items.

Due Date – 30 June 2021

2.b A2(c)(ii) Timely-Provision/High-Frequency MI Requirements for ASPSPs (Discussion)

- 2.13. **IG** introduced high frequency MI stating by way of a reminder that at the last IESG, 3 options were taken away for review and there is a preferred option, a backup action and one which is here to be discounted.
- 2.14. **FH** reiterated that at the last IESG a paper was brought forward and whittled down from 8 to 3 options and acted to further analyse these options. Option 5 – centralised mechanism for a small number of TPPs to be able to provide that mechanism, option 7 – getting information from real life journeys and the final option which was to do due diligence to a data mechanism that could be deployed on a temporary or long term basis.
- 2.15. **FH** stated that the data was obtained from a small collection of TPPs were consulted for both options 5 and 7, bearing in mind the impact on CMA9.

- 2.16. **FH** deemed that there is enough indication of interest, subject to figuring out the logistics that the most feasible way forward is option 7 – there are many parts to this process, however, the first visible deliverable would be a coverage assessment (TPP coverage for not only the CMA9 and their brands, but as a minimum, 2 TPPs reporting for each endpoint).
- 2.17. **IG** recognised that this would take time but was confident the team could work through, stating that the team have tried to take a pragmatic view – objectives and trade off vs the cost of implementation by the CMA9 with a balance struck by seeking to progress with option 7. **IG** thought it was fine to down tools on option 8.
- 2.18. **IG** stated that the team use qualitative vs quantitative in a perverse manner – when they talk about reviewing qualitative information, it does not mean only the English language descriptions of what the service is like, but will get quantitative percentages on things like availability – absolute numbers in terms of volumes will not be given partly due to confidentiality. **FH** stated that the terminology was what TPPs consistently use.
- 2.19. **SW** had a question – do the TPPs include the CMA9? **FH** stated that the CMA9 have not been excluded. **SW** was happy with this. **IG** encouraged open mindedness.
- 2.20. **GL** appreciated the optionality of option 7 but stated that parties will disagree on regulatory tests. **GL** stated that the idea of option 5 was to create a single source of truth and did not think it should be discarded. **IG** was not sure that option 5 has many complications with test accounts (surfacing and whether they reflect real world accounts).
- 2.21. **GL** asked if the assessments would be published. **IG** stated that once the MI stabilises and there is a level of confidence that there would not be a lot of restatements, then a way to publish might be found.
- 2.22. **RH** stated that whilst this is only for the CMA9 in publishing and monitoring, there are other banks that are members of the scheme and can this be used to inform non CMA9 of any issues. **IG** saw the benefits of this but stated that this is not within the Order and the TPPs will be bound by contracts and commercial agreements. **IG** stated that he would have to check with the CMA9 that they are comfortable with this being published. **IG** asked for this to be taken offline and asked that the CMA9 should feed this back into **FH**. **FH** stated that the team would not build anything that is not open, flexible and extensible.
- 2.23. **MC** – welcomed the progress. **MC** thought it was a good idea to zero in on the one option (7). **MC** was concerned about the value and business case of additional and high frequency MI and wanted to make sure whatever is done next is done with a clear understanding of the cost and pay back, not just for build, but ongoing run capacity.
- 2.24. **IG** was happy to have this minuted. As part of **FH**'s next piece of work an assessment on the contractual, legal and commercial framework. **IG** stated that he will have visibility as it will run through the open banking internal process and was happy to be transparent with the CMA9. **IG** thought that this MI would be valuable and a cost-effective way of getting that MI without providing high implementation costs.
- 2.25. **RW** wanted to check in terms of the TPP connections that come into the CMA9, will this be more customer transactions? **FH** stated that this would be a report of data based on real world transactions and calls. **RH** stated that if there are commercial agreements, will there be a stipulation that there will not be unnecessary traffic. **FH** stated that polling would not be encouraged and this will be part of the legal discussions and SLA's – the lightest possible touch on the CMA9 whilst giving the best real world information to the monitoring function and then published to the market to be of value. **RW** called for transparency and encouraged reduction in polling.
- 2.26. **IG** stated that it should not cost the TPPs any more to do this, but this is just to make this information more digestible. **RW** agreed.
- 2.27. **IG** felt like this is now getting into the details and perhaps a short update at next IESG would be provided.

ACTION – IESG_2021_301_501 - High Frequency MI – A short update to be provided at the next IESG in June 2021.

Due Date – 30 June 2021

2.c OBIE recommendations on delivering sweeping through VRPs (Discussion)

- 2.28. **IG** introduced slide 44 – an update on sweeping. **IG** explained that following several discussions and consultations, this paper is the result. **IG** did not want a re-run of all the consultation discussions, but of new things that have not been addressed or captured within the report, including any solutions that have not been thought of. **IG** stated that his recommendation would be sent to the CMA.
- 2.29. **BR** stated that the CMA asked the Trustee to further explore other ways of delivering sweeping and if the result is that VRP is the correct way forward, then a decision will be made by the CMA. **BR** stated that a decision will be made similar to how it was done for the Roadmap. **BR** did not anticipate another consultation, but if stakeholders have new views, these should be aired over the next week and depending on what happens, the CMA will be deciding fairly swiftly.
- 2.30. **AA** stated that VRP and sweeping is an intended consequence of the revised Roadmap – it is for the OBIE to investigate how best to deliver sweeping.
- 2.31. **AA** stated that the first question was whether the existing methods could effectively deliver sweeping and the conclusion is that they are not for three reasons:
- 2.31.1. Single immediate payments do not have the level of automation as they do not deliver automatic payments.
 - 2.31.2. Direct debits are too slow. The minimum 3-day delay undermines many of the propositions that have been spoken about.
 - 2.31.3. Card payments are too expensive.
- 2.32. **AA** stated that the next question was whether VRP could deliver sweeping. OBIE believes it is possible for the following reasons:
- 2.32.1. It is possible to limit the mandate on access to VRP APIs
 - 2.32.2. Benefits to both consumers and SMEs (overdraft competition, savings competition and more people saving)
 - 2.32.3. Adequate consumer protection.
- 2.33. **AA** stated that VRPs are within the regulatory framework of the PSRs. **AA** stated that the risk of misdirected payments and fraud is reduced. **AA** stated that this improves consumer protection.
- 2.34. on this basis, **AA** stated that the recommendation is that the Trustee recommends VRP to the CMA. **IG** was sure everyone would have read the report and opened up to the floor.
- 2.35. **RH** stated that the comment – ‘sweeping is covered under the regulation’ - AIB do not believe that the VRP specification is covered and intends to put it in writing to **IG**. Regarding comments on ‘no new risks in sweeping’ - **RH** thought this was too broad a statement. **RH** stated that some of the comparisons are significantly lower than the rest.
- 2.36. **GL** was happy with the report stating that some of the arguments have played out for a while and he is happy with the direction of travel.
- 2.37. **MCH** was supportive of the analysis and there has been good movement in relation to consumer protection. However, **MCH** thought there were practical things that need to be raised. **MCH** stated that the review of the CEG has been updated in parallel and felt that there needs to be a full-scale review of the CEG in this context. With regard to the guidelines **AA** referred to, and the fact that the current regulatory framework is satisfactory, **MCH** was struck by the fact that consumer complaints went up by 58% as reported by the Daily Telegraph and was not

sure that entities being regulated is the solution, on this basis, MCH wondered if the guidelines should be part of the standard so that there is meaningful recognition. **IG** envisaged a CEG would be looked at prior to implementation and in terms of the guidelines, **IG** stated that if it is recognised that things cannot be mandated on TPPs and to ensure maximum transparency then those would be sensible things to do.

- 2.38. **AA** explained that there have been several discussions and consultations, including regular conversations with the external law firms and the FCA and the team is super confident about their position. **AA** was happy to deal with this offline.
- 2.39. **RH** asked if FCA would like to respond with a definitive statement. **RM** stated that he would be happy to receive something from **RH**.
- 2.40. **PM** stated that a new element in the document relates to cost of sweeping, including references to an API first payment strategy which would offset costs in the payment architecture and was interested in hearing about whether the costs have been estimated and the strategy discussed with Pay.UK.
- 2.41. **SW** wanted to clarify what items would be taken on the CEG as there was a standard in March and wanted to understand what the timeline looks like.
- 2.42. **RM** wanted to add her support, stating that VRP is the best option to achieve the desired outcome.
- 2.43. **AA** stated that a number of people raised the MPA question during consultation. **AA** stated that a number of conversations have been held with Pay.UK and PSPs in the market.
- 2.44. **KF** was not aware of the conversations but stated that if there is proposal that cuts costs, then this will be well received. **KF** stated that an API access model is part of the MPA model, and they would be working with all the participants to look at all the access points.
- 2.45. **IG** stated that he would like to catch up with **AA**, **EC** and **FH** on the timebox element to ensure that the OBIE gets to a solution that works to everyone on that.
- 2.46. **RW** asked whether the business case has been provided to the CMA9 so that it can be understood in terms of the price differences. **RW** stated that he was not challenging VRP or sweeping but asking a genuine question. **RW** stated that there are reasons why cards are perceived to be expensive but there are mechanisms built into it.
- 2.47. **AA** stated that this has not been put together as a business case, but a lot of input has been taken and would not want to give out details but one provider in the lending space is suggesting that they need something in the region of a 10% APR to just pay for their payments for using the card which excludes other costs.
- 2.48. **IG** stated that business cases have not typically been drawn up but TPPs have been asked and there is a lot of demand for TPPs who have not used this and would have thought they were all economically motivated. On the basis of the comments here, **IG** suggested that there are a couple of updates required but suggest that they are pretty straight forward – the main one is providing a sentence or two more narrative around the API points (**PM** and **KF** points made). Broadly speaking, **IG** thought that the document is in near final form and would like to get that to the CMA as quickly as possible and ended by thanking everyone for inputting into one of the more comprehensive consultations and thank OBIE for dealing with a complicated matter.

APPROVAL – OBIE recommendations on delivering sweeping through VRPs - IESG_APR_LOG_104
Subject to a decision by the CMA on the appropriateness of mandating VRPs for Sweeping, the OBIE should update the standard to incorporate the guidance on customer protection but enable the ASPSPs to commence design and build on VRPs for Sweeping as soon as possible

- 2.49. **IG** introduced agenda item 2.d – slide 82. **IG** stated that the context is that it was a particular requirement of the CMA decision early next year to put together a group. **IG** stated that they met 3 times and produced the report that has been shared. The idea is to close this off and send to CMA.
- 2.50. **AA** explained that the process was extensive, and the key thing is to understand whether refunds standards carries any incremental or material risk. **AA** stated that the data is being shared extensively anyway and there is little evidence of data sharing causing any detriment and so the conclusion is that this does not need further work and there will be merit in providing a little more detail in the CEGs. **IG** stated that this update will be standard and not a new version.
- 2.51. **MCH** was pleased to see the final report and broadly agreed with the conclusions that the risk is low, but he wanted to point out that there is a read across to TPP guidelines and though they are mainly focussed on AIS, they do include some considerations of how the PISPs handle consumer data. **MCH** stated that this is why they feel the TPP guidelines are important sitting along the CEGs.

APPROVAL - Draft Recommendation from Trustee to the CMA regarding the Refunds Standard Data Security - IESG_APR_LOG_105

Trustee Action 1.

On acceptance of the Refunds Data Security paper the Trustee instructs the OBIE to ensure further clarity provided in the CEGs and TPP guidance regarding the sharing of sort code and account number when the standards are next updated.

Trustee Action 2.

Subject to a decision by the CMA on the appropriateness of mandating VRPs for Sweeping, the OBIE should update the standard to incorporate the guidance on customer protection. This update should not impact the screen flow in the domain of the ASPSP to enable ASPSPs to commence design and build on VRPs for Sweeping as soon as possible.

2.e *Transition Update (Verbal Update)*

- 2.52. **IG** moved on to a transition update, stating that himself and **BR** would be speaking. **IG** stated that in future months, the intent is for the transition update to be provided by **EC** in the programme update as it will become a natural workstream ahead of transitioning to a future entity.
- 2.53. **IG** stated that there is a ToR in progress which is complex with structural issues and buttresses the need for the group to have been set up early. **IG** stated that the transition group has not been put together but is imminent.
- 2.54. **IG** stated that the audit that was requested by HSBC is in progress and sits alongside the transition.
- 2.55. Finally, **IG** stated that there has been some work done in finding transition leads, ensuring there is a good process around that. This is still contingent on a decision coming from the CMA. On this note, **IG** handed over to **BR** to provide more information. **IG** concluded that broadly, this is being mobilised without doing anything that will set a no-regret action.
- 2.56. **BR** stated on the CMA decision that it is likely to be mid-June and what is important is that the transition group is fully mobilised by the time the decision is made. With regard to populating with members, **BR** stated that the appointment of the transition lead is in progress and the CMA is keen to move ahead.
- 2.57. **IG** opened to **MC** and **RW** as CMA9 representatives. **MC** agreed with all of the above stating the importance for clear governance and scope, adding that there are no-regrets activities that everyone would benefit from ahead of formal closure from the CMA.

- 2.58. **GL** found this progress remarkable for its inconsistency in communication as on the one hand, it has been stated that the structure of the core group has not been formed and yet, **MC** and **RW** are representatives of the CMA9. **GL** referred to the email communication from **SC** asking for other parties to write to the group to progress whether or not they want to be on the transition committee (a subcommittee of the limited company of which the Trustee is the director). **GL** could not understand how members of a steering group could be writing to members of the same steering group inviting them to be part of a committee.
- 2.59. **KF** had a question around timing – when there will be confirmation of people who have requested to be in the transition group.
- 2.60. **MC** stated that a ToR has not been agreed, meaning there is no scope locked down. The role of CMA9 is essential because the CMA9 are liable regardless of the outcome. In terms of the group representation through expressions of interest, **MC** stated that it should be in the near term and the communications plan has to be picked up.
- 2.61. **RW** reminded **GL** that **BR** is also on board and so it is not just the CMA9 choosing and he has veto on poor judgement or decisions. The other thing that has been done consciously is to ensure the transition lead is appointed first so that they are also involved in the discussions for other members of the transition group. To **MC**'s point, **RW** thought the approach is necessary. **RW** stated that if there are suggestions, then these should be brought forward.
- 2.62. **GL** stated that he was invited to discuss but was not happy with the outcome. The party that was taking the role of consultancy is now taking the secretariat. Given the fact that the CMA9 pay for UK Finance and OBIE, he was not sure why a subcommittee is not the OBIE.
- 2.63. **RW** clarified that the interim secretariat is being provided by OBIE and UK Finance. The permanent secretariat is going to be discussed imminently. **RW** stated that UK Finance is not just funded by CMA9.
- 2.64. **MC** understood that **GL** had a different view on the future entity, and nothing being done here is pre-empting the CMA consultation on that front, however there is value in mobilising in readiness. **MC** reiterated that the governance has not been agreed, the transition lead role is the key role. **MC** stated that some of the challenges he is mentioning need time. **GL** did not mind a difference of opinion but **MC** sitting in judgement of his opinion then that is not appropriate. **MC** stated that neither him nor **RW** would have deciding view.
- 2.65. **IG** stated that **GL** makes important points that need to be accommodated within the current approach.
- 2.66. **BR** did not want conclusions drawn on the basis of incorrect information. **BR** commented that UK Finance is interim secretariat only and thought it important to ensure that there is a mechanism where everyone is clear on what is going on. **BR** added that this process is not dominated by the CMA9 in any shape or form.
- 2.67. **GL** stated that **SC**'s email stated that the Trustee, CMA, the CMA9, and the secretariat got together and wished for interested parties to write to them with their proposals. **GL** stated that either this is a miscommunication, or it needs to be tidied up. **MC** stated that the people mobilising for a transition have a different hat on.
- 2.68. **BR** agreed that the communications aspect could have been handled better. **BR** stated that this has to start from somewhere, hence the need to get an independent lead as there will need to be a transition at some point. **BR** thought the approach was pragmatic and the CMA will have its hand on the handbrake.
- 2.69. **GL** wanted something in writing that explains what is happening, how the decision was made and was expecting it this to be done before 03 June.
- 2.70. **IG** stated that the ToR has not been agreed yet, but there is a notion of a core group which includes **MC** and **RW** representing the CMA9, **BR**, **IG** and **EC** around the Order. Re the secretariat, **IG** stated that the interim secretariat position was an offer based on resourcing but the OBIE will now take over.

- 2.71. **MCH** shared significant number of concerns raised by **GL**. A single example – the CMA have published all the responses to its consultation but in terms of optics, the concern is where **RW** mentions that the UK Finance process identified a transition group being set up ahead of a decision being made by the CMA, it is open to people to feel uncomfortable that certain stakeholders are exerting what could be seen as calling the shots.
- 2.72. **PM** wanted to build on the remarks regarding the secretariat, stating that their offer was to help out in the interim – until 30 June. **PM** agreed with **GL** and **MCH** about dialling up the communications and encourage transparency and ensure that this group are properly informed about the process and documents are visible and things are not kept confidential especially when there is a strong interest in the process by stakeholders.
- 2.73. **RW** wanted to pick up on **MCH**'s commentary on his point of view and stated that it is not often that he is called out as untrustworthy. **RW** stated that the transition group has been set up to help move the open banking entity in the right direction and **BR** is there to ensure that that the interim group is kept honest and therefore he has not created a disproportionate position for the CMA9 and needs to be reflected that **MC** and himself are trying to help bring this forward by bringing a balance to the process. The discussions on the ToR have been positive and structured, and making sure that the transition lead is the person to drive this forward does this in a proportionate and balanced way.
- 2.74. **MCH** cannot allow that stand and stated there was no suggestion that he is untrustworthy and apologised if that was the interpretation. **MCH** clarified that the point **RW** made it seem optically that the whole thing is predicated in UK Finances cohort. **MCH** did not want any suggestion that **RW** is not trustworthy. **IG** was pleased that comments were made and retracted.
- 2.75. **IG** stated that this concludes the update on the transition group. **IG** stated that there is a requirement to work on communications.

***ACTION – IESG_2021_301_502 - Transition Group Update – Clear communications to be circulated with regard to the process for membership and next steps.
Due Date – 30 June 2021***

3.a AOB – Customer Evaluation Framework

- 3.1 **MCH** stated that has to do with the publication of data. **MCH** stated that there was always the intention that the CEF should have been published so that there were mechanisms for people to gauge the importance of open banking.
- 3.2 **MCH** stated that he would write to **IG** on this separately as this requires a full conversation and for the purposes of this meeting, it is time barred.
- 3.3 **IG** suggested that this is picked up offline. **IG** asked for this to be marked as an action to be determined for next time.

***ACTION – IESG_2021_301_503 - Customer Evaluation Framework to be discussed offline and a determination about whether this should be brought to the next IESG.
Due Date – 30 June 2021***

4 CONCLUSION

- 4.1 **IG** stated that throughout the IESG meetings, there has been a forum where people with different opinions can come together and deal with issues a constructive way. **IG** stated that nothing has ever been personal. **IG** thought

that the incident earlier on was a miscommunication and everyone must try be considerate of each other. **IG** stated that this would be smoothed out behind the scenes.

4.2 **IG** thanked all for attending.

4.3 **IG** closed the meeting.