**Funders Advisory Panel (FAP) – 4 October 2024**

**Attendees:**

Chair: Claudio Pollack (OBL NED)

Secretariat: John Crossley

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| **Name** | **Company** |
| **Claudio Pollack** | OBL |
| **John Crossley** | OBL |
| **Richard Koch** | OBL |
| **Henk Van Hulle** | OBL |
| **Bharat Thadeshwar** | OBL |
| **Nicole Green** | Yapily |
| **Peter Cornforth** | FCA |
| **Andrew Self** | PSR |
| **Andy Sacre** | Monzo |
| **David Bailey** | Santander |
| **Tim Kelleway** | Clearscore |
| **Hetal Popat** | HSBC |
| **Archi Shrimpton** | Lloyds |
| **Isabel Pitt** | Nationwide |
| **Zeinab Cooper-Shaikh** | PSR |
| **Sandra Beisly** | Nationwide |
| **Richard Martin** | PSR |
| **Jason Turner** | Barclays |
| **Oscar Berglund** | Trustly |
| **James Hickman** | Trustly |
| **Simon Lister** | Capital One |
| **Jon Greenall** | Transferwise |
| **Stephen Wright** | NatWest |
| **Jack Wilson** | Truelayer |
| **Ramjit Lal** | NatWest |
| **Sailesh Panchal** | TSB |

**New Actions Arising:**

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| **Ref** | **Action** | **Owner** |
| 04/10-01 | RK to ask whether HMT could clarify their NPV thinking and the implications for the VRP plans. | RK |

**Previous actions:**

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| **Ref** | **Action** | **Owner** | **Status** |
| 08/7-01 | RK to confirm volunteers for the FAP Chair, Finance Committee reps and Programme Implementation reps | RK | Closed |
| 08/7-02 | Firms to review and provide comments on the Terms of Reference | All | Closed |

**Summary of meeting:**

Minutes

* Minutes from the 6 September were approved.

Financial forecast

* In Gary Lowe’s absence, RK gave overview of key points from the programme financial position.
* The programme is running underbudget in July and August - c.35% under to date, which results from some workstream activity and some external spend being deferred, albeit the external spend is now commencing.
* September is also likely to be underspent, with the further spend to commence in October and November.
* Spend from the governance workstream (WS7) has been reallocated to the other workstreams to better reflect where the actual activities undertaken.
* From next month the report will be extended to include January and will show changes as the rolling forecast is revised.

Plan on a page

* RK presented the plan on a page. He confirmed that there have been some minor changes, but the POAP was broadly the same as the baselined plan. In particular, the delivery date for WS3 had been pushed out for a month following agreement on the scope.
* One firm asked when we were to hear from the PSR on the response to their consultation and whether this creates a dependency for the next funding round.
  + AS confirmed that the PSR would issue a statement soon and that this would be ahead of the next funding round.
* Another firm asked what the plans were for the National Payments Vision and whether this had an implications for this work.
  + AS said that he has no further information to share.
  + Another firm asked that given HMT is part of JROC is there any obligation to inform FAP on timing of the NPV given that the uncertainty is difficult to deal with. CP said that he was not sure HMT has an obligation to share their thinking, but we should raise concerns with HMT. RK is to pick up this action.

Status update

* RK provided an overview on the status update, with a focus on the reds and amber activities.
* On WS1 roundtables have been held with TPPs to understand the barriers to report submission. A report has been produced for JROC highlighting the issues and barriers. There remains a risk that there will not be sufficient data for meaningful analysis.
* WS2a is in a similar position, whilst there is more data to analyse and get findings, we would like more submissions/coverage to improve the depth and quality of the analysis.
* WS3 has been delayed whilst the scope has been agreed. When the change request for the updated delivery plan has been agreed WS3 will return to green.
* A plan is being developed for WS5.4, which has been on hold up to now. We are hoping to proceed with this in the next few months.
* Overall good progress is being made against the plan.

MLA operator update

* JC gave overview of how the thinking is developing for the wave 1 MLA operator.
* One firm felt that liabilities are being described as a problem, when they should be seen as a good thing. They felt that risk of liabilities would be created by operating the MLA and hence the key issue is identifying the method for addressing the liability and ensuring the NewCo is an on-going concern.
  + RK explained that this is the next level of detail, which needs to be discussed as part of the funding model for the MLA operator. He said that the approach of ‘test and learn’ which starts from low-risk sectors will mean that any liabilities are naturally lower at the outset.
  + The firm confirmed that they do not see liabilities as being major issue but one that needs due consideration.
* One firm asked when meetings would be held about the potential for stakeholders to invest in the NewCo. JC confirmed that this would be next week and would be required to understand the detail and stakeholder appetite.
* One firm said that they are supportive of the NewCo option as it is the only option that gives the necessary dedicated focus. They also see the liability issue as important but do not see it as a blocker.

MLA legal drafting update

* RK explained that to date the focus has been on defining the business requirements for the MLA and we are now moving to legal drafting phase. A legal drafting sub-group has been established, for which nominations are requested, with a view that the group commences in the following week.
* One firm noted that there has been some ‘noise’ around representation and asked whether any help would be provided to resolve this. RK said that the representation was not yet fully resolved, but would welcome any help.
* One firm noted the favourable position that people want to help and suggested lifting the participant cap on the basis of the model clause experience, but they would also have an issue if non-funders were in the sub-group. RK confirmed that a decision here is needed ASAP and was happy to take views on whether more firms should attend the legal sub-group.

WS3 scope and timeline

* RK explained that little work has been undertaken on WS3 pending the discussion on scope clarification. This also recognised the competing priorities in the programme. The scope has been refined and agreed with JROC. We are keen to commence the work, with roundtables going in the diary for the next few weeks. The plan is to have a report by the end of November, which will be a delay of one month.

WS4 update

* RK explained that this ask of WS4 is largely complete, which was a request to understand the implication plans of firm for the standards release 4.0. RK confirmed that given the optional nature of the info flow requirements few, if any, are planning to implement them. Albeit some firms are still assessing their plans but with a focus on mandatory requirements.
* A draft report is with JROC for review and a final report is expected next week. It will then be for JROC to consider the implications and their response.
* One firm commented that this was an accurate view of the position and asked what approaches are being considered by non-CMA9 firms?
  + RK said that there had been no decision by non-CMA 9 firms to implement the voluntary standards, but OBL would continue to track it.
  + The firm asked whether non-CMA9 firms are implementing all of v4.0 and if not this has the potential to create even more ‘unlevelling’ amongst CMA9 and non-CMA9 firms. The firm mentioned that it could not see this on the transparency calendar? RK to raise with his colleagues in the Standards team.

AOB

* One firm mentioned the need for statements of support from for the work as we head towards the next funding request and that we need to broaden funding pool. They felt that further work is required to make the funding round a success. AS confirmed that the funding request is a high priority for JROC.