

Pay.UK Limited Minutes of the Switching Services Customer Committee on held on 23 June 2022 via Zoom

Attendees:	Organisation
Jo Kenrick	INED (Chair)
	Pay UK (Secretariat)
	Pay.UK
	Pay.UK (AI 06/22.06 only)
	Pay.UK (AI 06/22.01 only)
	Pay.UK (AI 06/22.03 only)
	Pay.UK (AI 06/22.05 only)
	INED
	INED
	HSBC
	Lloyds Banking Group
	Nationwide
	NatWest Group
	Santander
	Starling Bank
Apologies:	
	Pay.UK
	Barclays
	Bank of Ireland

---

Ref	Item
-----	------

---

Bol joined the beginning of the call to send their apologies, as unable to attend the reminder of the meeting. Bol advised that they had reviewed the papers and were comfortable with the Committees decisions in relation to Service Pricing and proposed Strategy dates.

---

**06/22.01 Switching Services Budget Update**

The Pay.UK Finance team took the Committee through Appendix A of the supporting paper, which detailed the CASS year to date performance and full year forecast. DELETED [COMERCIALY SENSITIVE] DELETED [COMMERCIALY SENSITIVE]

---

---

Nationwide suggested that a reforecasting exercise for the remainder of the year may be beneficial. It was noted that attraction to switch may be higher now due to the current climate and the cost of living crisis.

DELETED [COMMERCIALY SENSITIVE] **There was support from the Committee for Pay.UK to review the reimbursement options. Pay.UK agreed to look into all options and present back to the Committee at the September meeting. (Pay.UK \_ 22/09/2022)**

Pay.UK proceeded to take the Committee through the pricing scenarios for both services.

The Committee acknowledged that the new proposed pricing, for both, were not aggressive and appear to be relatively low risk. DELETED [COMMERCIALY SENSITIVE] **Pay.UK thanked the Committee for their input and advised that the new pricing will come into effect from 1 September 2022. Pay.UK will share the new pricing schedules with this Committee and the CASS and CISA Operations Committees. (Pay.UK 28/06/2022)**

---

#### **06/22.02 Switching Services Risk Update**

The Committee were advised that it had been agreed to step down the Risk team from presenting to the Committee today as, the risks for the Switching Services had not changed since the last meeting. Pay.UK noted that the RCSA work is currently on track to deliver to the approved plan. It was noted that there will be a new first line of defence risk team within the Payments Directorate, which will be in place prior to the September meeting, this will allow all Switching Services risks to be managed at a wider payment's perspective. **The committee noted the papers shared**

---

#### **06/22.03 CASS Comms & Marketing Update**

Pay.UK took the Committee through the supporting presentation.

##### KPI Review and Development of Q1 2023 Campaign

The Committee were provided an overview of the work that has been done to date. DELETED [COMERCIALY SENSITIVE] DELETED [COMMERCIALY SENSITIVE]. Pay.UK will progress with the awareness KPI for 2023. CASS INED noted that the FCA have done a light touch review on this, which may be worth reviewing. The Chair noted that there is evidence of growing competition, yet also evidence of end user's money sitting in accounts not achieving anything for them as they have chosen to keep liquidity during Covid. This prompted a discussion into overdraft users and end users with high balances. High balance accounts are harder to pull out and target, INED felt it would be interesting to understand this group better and why they choose to leave their

---

money where it is. Pay.UK noted that it is positive that Pay.UK have prompted a review and confirmed Pay.UK reps will remain in close contact and open conversation within HMT.

#### Q3 2022 Campaign Update

Pay.UK took the Committee through slide 4 of the supporting presentation. It was noted that the awareness levels for this month are lower than forecast and have been for the last three months. DELETED [COMERCIALY SENSITIVE] it was highlighted that a detailed analysis is being put together to look into the reduction in awareness levels. The results from this will be share with the Committee offline. Pay.UK noted an **action to the Committee to understand if they would be willing to share details about their current media spends to help with the CASS modelling for awareness, as this will help make the modeling more accurate. This would be confidential and very beneficial to the modelling of awareness levels. (Customers 22/09/2022)**. There was a discussion regarding paid media not being the indication of competition, but it was noted that the modeling suggests this is the main lever, and a quantifiable media spend is required to run the model scenarios and predict awareness levels. Starling posed a number of questions to understand what is true competition in the current account market and what is true switching and what is the journey End Users go through. The CASS INED noted that there is an opportunity for CASS to carry out a review and look into what competition looks like and some of the challenges for End Users. Starling agreed and this should be brought into our future thinking. Pay.UK agreed and noted that this has been looked into and was a key driver for the consideration project.

DELETED [COMERCIALY SENSITIVE] . **There is an action to be taken away from this to draw together a programme of review to help keep this current with HMT (Pay.UK \_NB 22/09/2022).**

#### CASS Committee Changes

Pay.UK took the Committee through slide 5 of the presentation. No comments were raised.

#### CASS Participant Guidelines

Pay.UK took the Committee through slide 6 of the supporting presentation. It was noted that HMT are 'Happy' with the current KPI which enforces the need to reach the target.

---

**05/22.04 CASS Strategy Day**

Pay.UK noted the supporting paper. The Committee were asked for their thoughts on the 2022 Strategy Day proposed dates. Nationwide noted their preference for the 24 November date. This date was also supported by one of the CASS INEDS with a start time of 9 AM. The Committee were supportive of moving forward with the 2022 Strategy Day of 24 November. Pay.UK presented the proposed 2023 dates for Strategy Day, it was noted that Pay.UK are currently looking at the hybrid options for this, but as previously noted at the last meeting Pay.UK are aiming to hold this as a face to face event. It was proposed that the April SSCC meeting would be brought forward ideally and held the day before the strategy day in line with previous years. The Committee reviewed the proposed dates and it was agreed that the 22 March 2023 would be the most suitable date. Pay.UK thanked the Committee for their feedback.

---

**06/22.05 Workstream Update**

Pay.UK advised the Committee that no scenarios have been triggered or significantly moved since the last update in April. So, asked for the papers to be noted.

The Future of CASS workstream – research brief has now had input and comments from one of the CASS INEDs and await input from one Customer ahead of sending the brief (week comm 27<sup>th</sup> June) to the three selected agencies who will pitch for the proposal. In addition, the Architecture team have outlined the scope for the technical side of this workstream. The Committee will receive regular updates on the progress of both elements of this workstream.

Overdraft & Switching research – this is progressing well, with the quantitative phase out of field and Pay.UK are currently prepping for the qualitative stage now. Therefore, Pay.UK have the top-line findings from the consumer and SME quantitative survey. Pay.UK highlight three points: DELETED [COMERCIALY SENSITIVE

The CASS INED noted the findings are very interesting and noted the previous discussion had within the meeting with regards to Treasury's view on competition in the Current Account market, there may be some use to look into this further. The lack of support for comparison services which help End Users make an informed decision on Current Accounts. It would be useful to use the collected data to help support these three areas for the CMA review. Does the tracker survey ask if the service has improved or not? As previously discussed service level indicators are these discussed, would it be beneficial to capture in the qualitative survey how peoples experience of banking has changed and have they seen an uplift in the quality? Starling noted that there is a

---

CMA survey on ratings. LBG noted that there is a number of layers on the service tracker that need to be looked at, from issuing a debit card, overdraft and lost or stolen card support all need to be captured. CASS INED asked do Service level indicators inform the End User when choosing a current account? How important are these indicators? Interesting to understand if innovation has had an impact on people switching or is it still just cash incentives. The Chair noted that it has been seen that End Users do look at the functionality of the service to be able to divide money up easily within their account. Nationwide agreed, need to understand why people switch accounts. The CASS INED agreed to meet with the team, if needed, to help provide input and have further discussion.

#### CASS Acceptance Rate Working Group

Pay.UK provided the Committee with a verbal update on the DELETED [COMERCIALY SENSITIVE] DELETED [COMERCIALY SENSITIVE] make the documentary changes as part of the annual documentary review in time for a January 2023 release. The Committee were advised that the Acceptance Rate Working Group are still meeting on a bi-monthly basis, and met in June with the highest attendance since the group started including two new Customers. Requests have been received from two additional Customers who wish to join the group. All Customers all have activities ongoing within their organisations to help better the acceptance rates. There is still a really good focus and drive from the group to help improve the rates. The Chair asked in relation to the dashboard that the Business AR have dropped over the last six months, do Pay.UK know why? Pay.UK noted that Business switching has dropped especially during the pandemic. Volumes improved during the Business banking scheme with RBS yet now that has ended volumes have declined significantly, as a result have caused business acceptance rates to be more volatile. DELETED [COMERCIALY SENSITIVE] Business switch requests generally occur on a face to face basis rather than via a digital channel. A number of Customers are working on training material for the relationship managers to ensure this is as accurate as possible to improve the journey. The Chair noted that if the volumes don't recover it may be beneficial to have a deep dive into these. CASS INED asked if it would be worthwhile to have a standing agenda item to look at AR, which will keep pressure on the AR Working Group. **Pay.UK will include Acceptance Rate on future agendas. (Pay.UK \_ 22/09/2022)** Nationwide were supportive of this. Pay.UK advised that CASS Operations will be meeting next week and will notify them that SSCC are looking at the Business

---

---

Acceptance Rates. Pay.UK noted that there previously was a Commercial Acceptance Rate Working Group, and they have now been included in the AR Working Group.

---

**06/22.06 Participant Dashboard**

The Committee noted the Dashboard. No additional comments were raised.

---

**06/22.07 Minutes of the Previous Meeting**

The minutes from the meeting held 26 April were approved without comment. The redacted minutes from the 26 April meeting were approved for publication without comment.

---

**06/22.08 Action Log**

---

**04/22.05** Pay.UK to amend the CASS Comms WG ToR to reflect the discussion had at the meeting

**Update:** Comms WG ToR has been updated.

**Decision:** Closed

---

**04/22.06** Pay.UK to speak to CASS INED regarding the review of the CASS future scenarios project brief.

**Update:** Conversation was had with CASS INED and the brief was shared.

**Decision:** Closed

---

**04/22.10** Pay.UK to liaise with the Comms team to gather input/best practice for holding the CASS strategy day in hybrid format.

**Update:** Initial conversation held and has been captured under AI 06/22.05

**Decision:** Closed

---

**06/22.09 AOB**

Pay.UK provided additional information to the Committee of the work being done on the technical side of the future of switching and what this will look like for the End User. Pay.UK have engaged their internal architecture team to see what a new switch service would look like today, if built from scratch. This work is underway and a high-level scope has been defined. Pay.UK will share a paper with the Committee offline during the Summer period for review/consideration and hold a discussion at the September meeting.

The Chair asked the Committee to think of any questions or thoughts that they would like to discuss or look into for Strategy day. The Chair noted that more information on the NPA would be beneficial. LBG noted that a more in-depth look at topics that have

---

---

been discussed during the meeting might be good. Nationwide noted the NPA and cost of living and the impact on the current account market. The CASS INED was interested to look at the areas around target groups such as high balance users and the initial CMA review, to create dialog to see what the state of competition is like.

---

**Date of Next Meeting: 22 September 2022**

---