

## Pay.UK Limited Minutes of the Switching Services Participant Committee held on 2 December 2020 at 10:30 via Zoom

### ATTENDEES:

Jo Kenrick

### ORGANISATION:

INED (*Chair*)  
  
Pay.UK (*Secretariat*)  
  
Pay.UK  
  
Pay.UK  
  
Pay.UK (*AI 12/20.01*)  
  
Pay.UK (*AI 12/20.03*)  
  
Bank of Ireland  
  
Barclays Bank PLC  
  
Clydesdale  
  
Handelsbanken  
  
HSBC  
  
INED  
  
INED  
  
Lloyds Banking Group  
  
Nationwide  
  
NatWest Group  
  
Santander

### APOLOGIES:

Pay.UK Risk Team

#### 12/20.01 CASS & CISA Budget Update

CASS

Pay.UK provided an update on the CASS October year to date (YTD) performance and the full year forecast as outlined in the supporting paper. **[Redacted commercially sensitive]**.

CISA

The Cash ISA (CISA) year to date and full year forecast was presented as outlined in the supporting paper. **[Redacted commercially sensitive]**.

Proposed Deferred income levels

The Committee had received offline a summary paper outlining the proposed deferred income levels. **[Redacted commercially sensitive]**.

**[Redacted commercially sensitive]** Pay.UK also presented in the paper a CASS historical pricing levels documenting the initial costs and reasons for subsequent price increases. The Committee suggested that it would be helpful to have the information presented in a table format sharing each price per switch cost throughout the operating period. Pay.UK agreed to work on presenting this at the next meeting.

#### 12/20.02 Risk Update

The Committee noted the risk update, **[Redacted commercially sensitive]**.

#### 12/20.03 Workstream update

A presentation was provided on the alignment of the CASS Future Scenarios with the Pay.UK Strategic Themes including an update on the Q3 assessment. As the Future Scenarios and Strategic Themes were based on projections made in 2019, a review will be undertaken in Q1 2021 to assess how relevant these still are in light of the disruption caused by the pandemic throughout 2020. The review would also identify the 'tipping point' for each scenario with suggested remedial action. The Chair noted that whilst the identification of these tipping points is largely a judgement call, it would be helpful for the Pay.UK Research and Strategy Team to highlight and bring to the Committee's attention those it thought would merit further discussion by the Committee, in order for it to decide whether further action should take place. Pay.UK agreed that this would be reflected in the Q1 2021 tracker.

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25/02/2021

The Committee discussed undertaking further research to better understand how the key customer groups interact with the CASS journey. Pay.UK advised that initial discussions had taken place with the company e-benchmarkers. A proposal of the work brief is being created and once reviewed it will be shared with the Committee for review/approval. This will likely be offline due to the next meeting being in late February 2021.

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06/01/2021

#### SME Research

CASS had commissioned research in Q1 2020 to understand SMEs' attitudes to switching, and this was repeated in Q3 to identify changes in switching attitudes during the pandemic. The research's findings included a drop in the number of SMEs who regularly use a branch, and an increased uptake in online banking. The report would be published on the Pay.UK website and shared with other key contacts. An INED suggested Pay.UK engage with the Open Banking SME contact, who is working with an SME think tank sharing the findings of the research may be beneficial at its next seminar in the spring of 2021. INED agreed to initiate the introduction.

**INED**

17/12/2020

#### Financially vulnerable research and panel event

Frontier Economics were commissioned to undertake research to examine financially vulnerable people and learn how in particular the Covid-19 pandemic had affected their attitudes towards switching accounts. The key findings amongst this group were:

- A reduction in switching numbers due less to changes in attitudes and more to lack of incentives.
- As gig economy workers have been disproportionately affected by the pandemic they were more likely to switch accounts.
- Young people are more likely to feel anxious about the future and are less likely to switch accounts as they found it confusing and stressful.

The results of the research would be presented at an online webinar on 3 December to discuss its findings and identify steps to progress a customer focussed market for account switching in 2021. The research would be shared with the Committee after the webinar event.

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17/12/2020

#### **12/20.04 Switching Services forecasts for 2021**

Requests for 2021 CISA forecasts had been made earlier in the year. **[Redacted commercially sensitive]**.

Requests for CASS 2021 forecast had been sent in the week ending 27 November 2020. **[Redacted commercially sensitive]**.

#### **12/20.05 Strategy Day**

The Committee noted the output from the first Strategy Day which focused on the following four key areas: supporting new customer journeys, facing uncertainty in switching volumes, maintaining CASS awareness, and staying agile in a changing environment.

**[Redacted commercially sensitive]** The Committee also identified other changing trends such as multi-banking and the transition to the use of more digital banking in light of the impact of Covid-19.

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The input from the second Strategy Day was currently being reviewed by the Chair and **[Redacted commercially sensitive]** Pay.UK and would be circulated to the Committee offline for their review. Any received comments will be covered as an agenda item at the next meeting. The Committee reported that both Strategy days were well organised and contributions made were significant, noting that there appeared to have been more engagement than in previous years. In light of the level of engagement at both Strategy Days the Committee suggested that future events could take a hybrid format of offer both an online and in person session. This would facilitate wider engagement with participants and external stakeholders across the regions of the UK. Pay.UK acknowledged this would be considered for 2021.

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22/12/2020

#### **12/20.06 Participant dashboard**

The Committee noted the latest SSPC Dashboard which was issued offline. In particular the Committee noted that the 75% awareness target continued to be met, and 7-day completions had increased to 99.8%. Good progress is being made in the Acceptance Rate Working Group, as such it has been agreed to continue the sessions on a monthly basis throughout 2021. An update on progress to date will be shared at the February meeting.

#### **12/20.07 Minutes of the previous meeting**

The Minutes of the meeting held on 15 October 2020 were signed off without comment.

#### **12/20.08 Action log**

All actions featured on the Log were confirmed as complete and proposed to close.

#### **12/20.09 Any other business**

**[Redacted commercially sensitive].**

**Date of next meeting: 25 February 2021 at 10:30**

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