
MINUTES

TO CASS Executive Committee
DATE 23 May 2017

MINUTES OF THE CASS EXECUTIVE COMMITTEE MEETING HELD ON 9 MAY 2017

PRESENT Bacs INED (*Chair*)
Bacs (*Including Secretariat*)
AIB
Barclays
BoI
VocaLink
Clydesdale
Cumberland
Danske
Handelsbanken
HSBC
Lloyds Banking Group
Metro
Nationwide
Ipagoo
RBSG
Santander
Starling Bank
Tesco
TSB
Triodos
Virgin Money

APOLOGIES Metro

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05/17.01	VOCALINK UPDATE
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VocaLink attended the meeting to provide an update on the incident that occurred on 11 April [**Deleted – Commercially Sensitive**]. Participants confirmed that they did not receive any complaints in relation to the incident. [**Deleted – Commercially Sensitive**]

05/17.05	STRATEGY
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Referring to the supporting material relating to the revised CASS Strategy and its mapping to the Competition Market Authority (CMA) remedies, Bacs advised that it received some feedback from Participants which was discussed and fed into the updated version. Bacs requested that Participants review the material and provide any further feedback within

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	<p>two weeks of the meeting. Discussion was held regarding the ‘Strategic Vision’, as detailed on page two of the CASS Strategy slide deck [Deleted – Commercially Sensitive]. The Committee agreed the strategy and scope for future development.</p> <p>It was confirmed that Bacs has engaged with a broad range of consumer stakeholders as per the CMA remedy; a ‘consumer strategy day’ was held on 27 April that was well attended, including representatives from the CMA and HM Treasury (HMT). As a result of the discussions held Bacs obtained agreement from the stakeholder community to continue to work with Bacs to further develop the CASS Strategy and proposition.</p>
05/17.02	<p>CMA UNDERTAKINGS</p> <p>Referring to the supporting papers, Bacs provided an update regarding its continued engagement with the CMA and its progress against the CMA remedies. [Deleted – Commercially Sensitive]. Referring to the CMA Undertakings Status Report, the Chair requested that the ‘Risk for Noting’ be updated.</p> <p>Bacs provided an update regarding the revision of the CASS Key Performance Indicators (KPIs), noting the introduction of the new KPI to measure customer satisfaction with the switching process. Confidence will no longer formally be reported on, however Bacs will continue to monitor the levels and report to this Committee. A further proposal has been agreed with HMT regarding reporting on adherence to the seven day SLA; it is proposed that the target measure be set at 99%. The awareness metric will continue to be tracked [Deleted – Commercially Sensitive]. The Committee agreed the proposal; Bacs confirmed the KPIs are based on monthly performance but will be reported quarterly.</p>
05/17.03	<p>CASS STRATEGIC COMMUNICATIONS WORKING GROUP UPDATE</p> <p>Bacs provided the Committee with an update regarding the latest activities of the CASS Strategic Communications Working Group (CASS SCWG). At its April meeting, the Group discussed the campaign budget proposal and KPIs, the future of the SCWG, and transaction history. [Deleted – Commercially Sensitive]</p>
05/17.04	<p>BUDGET</p> <p>Bacs presented the supporting material regarding the 2017 and 2018 budget, including the current status of the 2017 budget, the proposed BAU 2018 budget [Deleted – Commercially Sensitive] and the proposed marketing and communications call for funds in 2018.</p>

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	<p>Discussion was held regarding the current status of the 2017 budget, noting that switching volumes are lower than expected to date, causing lower than forecast income to date. Bacs noted caution that the service may not achieve the [Deleted – Commercially Sensitive] forecasted target income by the end of 2017. It was agreed for Bacs to provide Participants with detail of actual volumes vs the forecast; Participants are then to feed back to Bacs regarding any reasons behind the variance. It was suggested that the Committee give consideration to the level of contingency funding reserves that CASS should hold in future and include discussions on this topic; Bacs is to include on a future agenda to be discussed. Significant discussion was held regarding the increased requirements to support the wider industry activity, increasing regulatory commitments and the upcoming consolidation of the Payment System Operators (PSOs), which [Deleted – Commercially Sensitive] affects recruitment and the resourcing of the activities. [Deleted – Commercially Sensitive] It was confirmed that Bacs has acquired the services of an external agency to undertake an audit of the media spend and current campaign; the findings of the audit should be available in August 2017.</p> <p>The Committee <i>noted</i> the current status of the 2017 budget [Deleted – Commercially Sensitive]. It was <i>agreed</i> to defer the discussions around the 2018 budget until the further modelling work agreed at this meeting are complete.</p>
05/17.06	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The minutes of the meeting held 21 February and the proposed redactions were <i>agreed</i>.</p>
05/17.07	<p>ACTION LOG</p> <p>All actions were <i>noted</i> as closed, with the exception of 02/17.06 regarding Barclays feedback on PAD switching volumes: this is to be moved to the CASS O&G Action Log and progressed via that forum.</p>
05/17.08	<p>TERMS OF REFERENCE</p> <p>The Committee <i>noted</i> the ToRs for the CASS EC, CASS O&G and the re-titled CASS SDWG with no further comment.</p>
05/17.09	<p>ENFORCEMENT OF PARTICIPANT COMPLIANCE</p> <p>The Committee reviewed the paper detailing the enforcement of Participant compliance, noting that the approach is aligned with that taken for Bacs and Cash ISA. The Committee</p>

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	<i>agreed</i> the proposal.
05/17.10	CASS OPERATIONS AND GOVERNANCE COMMITTEE UPDATE The Committee <i>noted</i> and <i>agreed</i> the update regarding the activities of the CASS O&G with no further comment.
05/17.11	AOB For information only, Bacs advised the Committee that Bacs is expecting to receive a Direction from the PSR at some point over the next 2-3 months regarding a requirement to undertake a competitive tendering exercise as part of future contract renewal processes. This requirement has emerged from the scope of the PSR Infrastructure Market Review work.

Date of next meeting: 13 July 2017 at 10:30