
MINUTES

TO CASS Executive Committee
DATE 7 June 2018

MINUTES OF THE CASS EXECUTIVE COMMITTEE MEETING HELD ON 24 MAY 2018

PRESENT (Chair)
Bacs (*Secretariat*)
Bacs
Independent Member x 2
Participant Representative x 8

APOLOGIES Participant Representative x 1

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05/18.01 CASS RISKS

The Chair opened the meeting, introducing the Current account Switch Service (CASS) Risk update. **[DELETED – COMMERCIALLY SENSITIVE]**

05/18.02 STRATEGY

Bacs provided an update against the CASS Strategy slide deck, noting that the document encapsulates what was agreed at the previous meeting of this Committee and the alignment of the CASS and NPSO strategies.

Referring to the initiative to explore CASS becoming a separate entity from that of NPSO, it was noted that given NPSO is now a designated entity, the BoE will likely be interested that CASS is considering becoming a separate entity, and this may mitigate a risk for the NPSO. Bacs acknowledged this, noting that it is focusing on stakeholder and regulatory engagement with regard to the CASS proposition in the coming weeks; however, it first intends to discuss with this Committee the approach and agreed messages to communicate with such stakeholders (discussed further in the workshop – agenda item 05/18.06). **[DELETED – COMMERCIALLY SENSITIVE] [DELETED – COMMERCIALLY SENSITIVE]**

Bacs noted it has included an NPSO and the PSR / Bank of England (BoE) non-objection marker in its indicative timelines to ensure that at the appropriate stage those bodies can advise they feel Bacs is moving in the right direction with regard to this piece of work.

The Chair summarised that, if the work with regard to the messaging and business case is complete by the next meeting, Bacs should present its proposal to the Committee,

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detailing the pros and cons and the associated risks.

The Committee **agreed** that it remains comfortable that Bacs pursues the work to assess how CASS could exist as a standalone entity.

Referring to the slide deck detailing the strategy recommendation from the CASS Product and Marketing Committee (PaM), Bacs confirmed it expects to take a proposal to this Committee regarding the inclusion of savings accounts in switching in September 2018. It was queried whether there is the mandate from all Participants of CASS to progress this initiative; it was confirmed this was discussed and agreed to explore at the Strategy Day. EC agreed that Bacs should do a full evaluation into including savings accounts with transactions into the switching family. This assessment will include a technical and operational evaluation, participant and legal review, customer demand leading to an overall assessment. At the same time further investigation into other savings accounts and Stocks and Shares ISA will continue. The Committee further agreed that Cash ISA should be part of the switching suite and be incorporated within the EC however it was recognised that there should be a formal assessments of the benefits and wider governance implications of doing this by June 2018. The Chair summarised the discussions, noting that as CASS looks to develop it will need to consider a variety of models for the differing products it may look to offer. It was noted that Participant attendance at the PaM, where these workstreams are discussed, has been very limited, and whilst those who attended were making a valuable contribution, the Committee needed representation from all parties. All participants are to consider their representation and provide the contact details for a representative to receive the meeting papers and relevant material.

05/18.03 BUDGET

[DELETED – COMMERCIALY SENSITIVE] Costs remain in line with the forecasts

Referring to the 2019 budget, it was clarified that it excludes anything Cash ISA related and Bacs anticipates keeping overall costs flat. **[DELETED – COMMERCIALY SENSITIVE]**

[DELETED – COMMERCIALY SENSITIVE]

05/18.04 OPERATIONS

Referring to the Operations and Governance update, discussion was held as to why the quarterly movement data still includes a reference to some participants not having their

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	<p>data published. Bacs advised that the data is published six months in arrears; it was recommended by the PAM that the data now be reported quarterly in arrears. The decision to publish the data six months in arrears related to competition concerns. It was noted that HMT agreed that the low volume Participants' data should not be published; Bacs agreed to discuss with these Participants whether they are now willing to having the data published, and then a wider circulation to all participants. The proposal to move to quarterly reporting in arrears was agreed however it was noted that the data is member data not service data. In addition that the existing process and waivers had been agreed with HMT. To move forward it was agreed that Bacs would issue a note to all Participants advising them of the change inviting exception comments only. Bacs would also liaise with the Participants whose data is not published requesting that they request a formal waiver. This would then be submitted to HMT as required.</p>
	<p>[DELETED – COMMERCIALY SENSITIVE]</p>
	<p>One Participant noted it's thanks to the TSB team with regard to working through the incident; Bacs echoed this, and it's thanks to all Participants for their efforts.</p>
	<p>[DELETED – COMMERCIALY SENSITIVE]</p>
<p>05/18.05</p>	<p>MINUTES AND ACTIONS FROM LAST MEETING</p>
	<p>The minutes of the meeting held 22 March and 30 April were agreed; subject to the inclusion of comments from one of the Independent Members.</p>
<p>05/18.06</p>	<p>AOB</p>
	<p>One participant representative advised that they are leaving to take up a new post and will be resigning from CASS EC with immediate effect, and therefore will not attend the CASS EC going forward.</p>
	<p>The Chair advised that both she and the two independents had met to review the Participant applications to sit on the CASS EC and were happy to recommend agreement that they were both progressed. The recommendation was supported and agreed by the EC.</p>
<p>05/18.07</p>	<p>WORKSHOP</p>
	<p>A workshop was held to further discuss the exploratory work with regard to CASS becoming a separate entity from that of NPSO. It was agreed for Bacs to draw up a proposal and present this Committee at its 26 June meeting.</p>

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Date of next meeting: 26 June at 10:30

This will be via conference call and is expected to last 1.5 hours