

## MINUTES

TO CASS Executive Committee  
FROM Rachel Langworth, Committee Manager  
DIRECT 020 3217 8393  
EMAIL [Rachel.langworth@bacs.co.uk](mailto:Rachel.langworth@bacs.co.uk)  
DATE 8 March 2019

### MINUTES OF THE CASS EXECUTIVE COMMITTEE HELD ON 20 FEBRUARY 2019

PRESENT Jo Kenrick CASS Independent Chair  
Rachel Langworth Bacs (*Secretariat*)  
Bacs  
Bacs  
BOI  
Clydesdale  
Handelsbanken  
Lloyds Banking Group  
RBSG  
Nationwide  
Santander  
TSB  
CASS INED  
CASS INED

APOLOGIES Barclays

ID	ITEM	ACTION
----	------	--------

#### 02/19.01 PAY.UK RESOURCES

The Chair introduced Martine Simmons, Interim Director of Standards and Strategy for Pay.UK. M Simmons confirmed that each Pay.UK directorate is working towards the 28 February target date for transition; there are a small number of roles that will remain in place post 1 March to ensure continuity until they can be back filled. It was confirmed that all work in train at present will continue; the CASS strategy and budget remain ring-fenced. Work for CASS will take place across a number of the new directorates, with D Piper continuing as the manager of the service and will lead on the co-ordination and delivery of all CASS related work. The Chair confirmed that she has met with the heads of the relevant Directorates to discuss CASS and how its work

ID	ITEM	ACTION
	<p>will be driven forward and delivered; Pay.UK recognises the high level of performance achieved by CASS and supports the need to ensure it continues to deliver against its regulatory, strategic and operational targets. It was queried where Cash ISA will sit going forward; it was confirmed it will remain under the oversight of CASS and will sit in the Service Lines directorate within Pay.UK.</p>	
<b>02/19.02</b>	<b>STRATEGY</b>	
	<p>Referring to the accompanying paper, Bacs presented on the switching services strategy progress. The Committee reviewed the CASS strategic aims; Bacs has mapped the five strategy work streams to these aims. It was confirmed that the progress and recommendations from these work streams will be discussed at the CASS Strategy Day that is scheduled for 25 April; this will be followed by a meeting of the CASS Executive Committee (EC) on 26 April.</p>	
	<p>Referring to the strategy workstream relating to Open Banking that considers the transfer of data consents as part of the switching process, it was confirmed that CASS continues to work with the Open Banking team as its offering progresses. CASS has identified a number of delivery options with regards to transferring consents ranging from a flat text file to amending MSG02s and incorporated or stand alone APIs. Bacs advised that it is seeking legal advice on these options. <b>DELETED – COMMERCIALLY SENSITIVE</b> Pay.UK confirmed that it sits on the EBA panel and has a house view with regard to the development and progression of APIs, especially the standards relating to them.</p>	
	<p><b>DELETED – COMMERCIALLY SENSITIVE.</b></p>	
	<p>Brief discussion was held with regard to the cleansing of data and the need for the customer to have responsibility for the deletion of, for example, existing payees; it was agreed that some form of standardised rules and procedures to remove non-active payees would be beneficial. Bacs advised it has previously raised this issue centrally within the industry and will raise it again with Pay.UK as a topic for consideration. It was noted that Pay.UK is</p>	

ID	ITEM	ACTION
	<p>meeting with the Bank of England (BoE) FMID team to discuss the work it is progressing with regard to liabilities, control, risk and accountabilities across the entire payments eco-system.</p>	
	<p><b>[DELETED – COMMERCIALLY SENSITIVE]</b> It was queried how the partial switching service is being progressed; Bacs confirmed it was previously agreed by this Committee to include any development of the partial proposition within the work being undertaken with regard to Open Banking. Referring to the commercial offerings workstream, Bacs advised that a framework has been developed (as per the accompanying slide deck). Pay.UK noted that it has an objective to be at the forefront of global payments and will be looking at sharing information with other countries with regard to Real Time Systems, and as such co-ordination is key. CASS pointed out that it may struggle to provide free support on the same basis as has previously been provided and it would be prudent to agree a response in conjunction with Pay.UK.</p>	<p><b>Bacs</b> <b>25/04/19</b></p>
	<p><b>DELETED – COMMERCIALLY SENSITIVE</b> The final workstream was future scenario development and CASS advised it was looking at five scenarios that have the potential for a proposition and volume risk for the core service. These scenarios are being developed and will play a key role in the April Strategy Day. CASS advised this work would cover a previous action to look at risks to the CASS Guarantee. The proposals were supported however it was noted that regulatory intervention should be captured more explicitly as this has the potential to impact the payments market significantly.</p> <p>Bacs advised it has reviewed its profile of resources (including contracts with external bodies) and how these are managed, so as to ensure value for money and clear decision making processes. <b>DELETED – COMMERCIALLY SENSITIVE</b> It was confirmed Bacs is working with the Pay.UK Communications Directorate to ensure alignment. In summary the CASS EC supported the work undertaken so far which aligns with the strategic goals as agreed with MSC and agreed that this should form the basis for the April Industry strategy day.</p>	

ID	ITEM	ACTION
02/19.03	<p><b>STRONG CUSTOMER AUTHENTICATION</b></p> <p><b>[DELETED – COMMERCIALY SENSITIVE]</b></p>	
02/19.04	<p><b>GENERAL OPERATIONAL UPDATE: CASS, CISA, BPRS</b></p> <p>Questions by exception were invited. Bacs noted that there are a substantial number of new participants looking to join the service in 2019. <b>DELETED – COMMERCIALY SENSITIVE</b></p> <p>It was noted that a communication to the Cash ISA (CISA) EC clarifying the new responsibilities of the CASS EC to include CISA will be circulated as soon as the ToR is accepted by the Pay.UK Managed Services Committee (MSC).</p>	
02/19.05	<p><b>REGULATORY UPDATE</b></p> <p>Bacs circulated the Retail Banking Market Review undertakings ahead of the meeting; noting the progress on the undertakings as detailed in the report, Bacs noted that there is reference to the need for engagement with price comparison websites (item 3.4 of the Undertakings). It was confirmed the CASS Annual report has been produced and is going through the sign-off process, and will be circulated to this Committee as soon as available.</p> <p>Bacs advised it met with HMT and discussed the potential to reduce the advertising reach targets for the subset of the marketing campaigns (where a particular audience alone was being targeted). <b>[DELETED – COMMERCIALY SENSITIVE.]</b> It was noted that CASS needs to do as much as possible with regard to what it does achieve as a community, and the levels of awareness achieved to date not only via the Paid Campaigns but also by the PA/PR activity. <b>[DELETED – COMMERCIALY SENSITIVE]</b> Bacs confirmed the marketing approach is being reviewed to explore a number of options that may allow for the diversion of focus onto those segments, through the PA activities and engagement with third parties e.g. PCW'S but without disproportionately impacting resources.</p>	<p><b>Bacs</b> <b>25/04/19</b></p>
02/19.06	<p><b>BUDGET</b></p> <p>The Committee noted the end-2018 budget position. <b>[DELETED – COMMERCIALY SENSITIVE].</b></p>	

ID	ITEM	ACTION
02/19.07	<b>CASS AWARENESS RATE</b>	
	<p>Referring to the accompanying paper regarding the CASS awareness rates recommendations, Bacs has received the results of some modelling work undertaken by Engine, and does not expect the 2019 rates to drop below 75%. However, should the figures fall for two consecutive months, Bacs has identified some marketing campaign funds that can be re-allocated to mitigate the awareness. The Committee was asked to agree in advance that Bacs could divert the funds as specified without further approval from EC; This was confirmed that this applied to 2019 only at this stage. The Committee supported the proposal.</p>	
02/19.08	<b>MINUTES FROM PREVIOUS MEETING</b>	
	<p>The minutes of the meeting held 29 November were agreed. The redacted version is to be circulated post meeting for approval <i>[post meeting note-agenda error; all redacted minutes of meetings to date have been agreed and published accordingly]</i>.</p>	
02/19.09	<b>ACTION LOG</b>	
	<p>Bacs noted that it would issue offline answers regarding Confirmation of Payee.</p>	<b>Bacs 20/03/19</b>
02/19.10	<b>PAM AND O&amp;G TERMS OF REFERENCE</b>	
	<p>The Committee noted the ToRs for the CASS O&amp;G and CASS PAM.</p>	
02/19.11	<b>AOB</b>	
	<b>DELETED – COMMERCIAL SENSITIVE</b>	
	<p>The Chair advised that there will be some changes within TSB meaning the representative will step down in the spring, meaning all Participants will be invited to nominate a representative for review by the selection panel. The Chair advised that A Pieckielon will be leaving Bacs in April 2019.</p>	

**Date of next meeting: 25 April at 10:30 (CASS Strategy Day)**