

Retail banking market investigation Provisional decision on remedies

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Our remedies package

Foundation measures

Open API banking standard

Publication of service quality information

Customer prompts

Current account switching measures

- CASS governance
- Extended redirection
- Transactions history
- Customer awareness and confidence

PCA overdraft measures

- Overdraft alerts
- Grace periods
- Monthly maximum charge
- Account opening and switching process

Additional SME banking measures

- Loan rate transparency
- Loan eligibility indicator
- SME comparison tool
- BCA opening procedures
- Sharing SME information
- Soft searches
- Role of professional advisers

Switching prompts

“Order requiring .. providers .. to co-operate with FCA in a research programme, including RCTs, to identify [effective] prompts..
.. as an alternative .. seeking undertakings;”
.. “recommend to the FCA to .. undertake a research programme, including RCTs, ..; use its rule-making powers .. to implement a series of prompts .. ; seek undertakings from BCA providers to also send prompts to those SMEs not covered by the FCA’s [Banking Conduct of Business Sourcebook] ..”

Overdraft alerts

“Order to require PCA providers to enrol automatically all their customers .. ;
.. also provisionally decided to recommend to the FCA that it identifies , researches, tests, and, as appropriate, implements measures to increase customers’ engagement ..;
“decided to follow the same approach as the prompts remedy .. making an Order to require all PCA providers .. to co-operate with the FCA in RCTs .. ;
“proposal .. to enrol customers into an unarranged overdraft alert would be an initial measure .. consider removing once the FCA has concluded its testing and is ready to introduce measures that are effective..”

Monthly maximum charge

“providers will be required to make the presentation of the MMC no less prominent than other overdraft charges ..

“recommend to FCA that it undertakes work to assess the ongoing effectiveness of the MMC .. consider further measures .. to further enhance its effectiveness”

“an Order .. require these banks to .. propose to the CMA .. the composition, governance arrangements, funding and budget of an entity (the Implementation Entity) .. use their best endeavours to achieve the objectives of the project plan

make available .. by the end of Q1 2017 .. as open data .. prices, charges, terms and conditions .. adopt and maintain open standards for APIs with full read and write functionality .. no later than the transposition deadline of the second Payment Systems Directive”

NESTA challenge prize

“to support the Nesta challenge prize .. make an order requiring .. [provision of data for] ‘data sandbox’ ..
contribute .. to the costs of the Nesta challenge prize process .. within a time frame and in a manner agreed by Nesta and approved by the CMA ..”

Behavioural economics in the world of open APIs