**Funders Advisory Panel (FAP) – 1 August 2024**

**Attendees:**

Chair: Claudio Pollack (OBL NED)

Secretariat: Richard Koch, John Crossley

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| **Name** | **Company** |
| **Claudio Pollack** | OBL |
| **Gary Lowe** | OBL |
| **Henk Van Hulle** | OBL |
| **Richard Koch** | OBL |
| **John Crossley** | OBL |
| **Nicole Green** | Yapily |
| **Richard Martin** | PSR |
| **John Fitzpatrick** | FCA |
| **Amber Boodt** | Nationwide |
| **James Aron** | Capital One |
| **Jack Wilson** | Truelayer |
| **Archi Shrimpton** | Lloyds |
| **Shrey Agarwal** | Revolut |
| **David Bailey** | Santander |
| **Andrew Self** | PSR |
| **Jon Greenall** | Wise |
| **Peter Cornforth** | FCA |
| **Sandra Beisly** | Nationwide |
| **Jon Roughley** | Experian |
| **Jason Turner** | Barclays |
| **Andy Sacre** | Monzo |
| **Hetal Popat** | HSBC |
| **Stephen Wright** | NatWest |
| **Marc Massar** | Virgin Money |
| **Natalie Beasley** | Metro Bank |
| **Tim Kelleway** | Clearscore |
| **Oscar Berglund** | Trustly |
| **Sailesh Panchal** | TSB |

**Old actions:**

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| **Action** | **Owner** |
| RK to confirm volunteers for the FAP Chair, Finance Committee reps and Programme Implementation reps   * Complete | RK |

**Actions carried forward**

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| **Action** | **Owner** |
| Firms to review and provide comments on the Terms of Reference | All |

**New actions arising:**

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| **Action** | **Owner** |
| None |  |

**Summary of meeting:**

Minutes

* Minutes from the 8 July FAP were approved

Terms of reference

* No comments to date have been received. Members were asked to provide feedback ahead of JROC sign-off by Monday 12 August.
* The process to feed into the JWIG reps was discussed. CP said this was down to the reps and members to agree amongst themselves. The purpose of this meeting is to facilitate that.
* The membership of the Trade Associations at the JWIG was raised and how we ensure a balanced set of views at the FAP meeting. RK confirmed that the membership had been agreed with JROC and that JROC were responsible for making decisions based on recommendations. OBL will represent views to JROC, including those that diverge from the recommendation. CP said that the effectiveness of the meetings will be reviewed on an ongoing basis.

Financial forecast

* GL provided an overview of the latest financial forecast, including a three-month rolling forecast. Given that we are still in the early stages of the programme the three-month forecast is broadly the same as the budget previously presented.
* It was commented that the budget is based on the current deliveries and hence queried what happens if there is a pause to one or more of the workstreams. RK said that it was for JROC to consider whether a workstream should be paused and the budget would then be amended accordingly. This will be addressed as we go with the decisions exposed in the appropriate forum for consideration.
* One firm highlighted that they believed that the original budget included funding to establish the Interim Entity. GL advised that although early iterations of the budget contained IE establishment assumptions over an 18-month period, this was subsequently removed from the initial 6-month funding requirements presented to funders in June / July, given the change in circumstances.
* It was questioned whether premium APIs will be progressed as part of the current agreed programme plan as had been intimated in the FCA letter to funding firms. RK explained that the action relating to premium APIs sits with the FCA. It was clarified that the FCA would not be making a call on the budget in relation to this activity. John Fitzpatrick clarified that the FCA intended to set out the workplan for this activity shortly.

Plan on a page

* RK provided an overview of the plan on a page. Some of the key points he picked out:
  + WS1 and 2a – roundtables being held to understand lack of data supply
  + WS2b – pilot banks now using TRIs for live decisioning. Remain concerns about the volume of data. Crucially we need to understand whether the analysis being provided by the participating banks will allow the efficacy of TRIs to be understood
  + WS4 – standards release has been delivered and OBL is now monitoring the implementation. JROC will then be given an update on the implementation progress.
  + WS3 – reviewing the overlap with WS5 VRPs. WS5 looking at VRP protections and then highlight future roadmap requirements which falls into WS3, hence there is currently a time lag on this workstream
  + WS5 – Two working group meetings have been held to date. The first focused on the dispute mechanism to identify the business requirements and option evaluation criteria. Aimed to conclude this by the end of August so that we have a clear candidate and can commence the build activity. The second focused on the MLA propositional contents via a gap analysis between the VRP blueprint recommendations and the model clause document. This identified five gaps that will be addressed. Stakeholder feedback has been requested.
  + RK highlighted the need for swift decisions to be made in order to maintain the momentum and achieve the planned delivery timelines.
* Questions asked about the plan on a page:
  + What is the approach to the WS1 roundtables?
    - RK said that one earlier in the day focused on TPPs and there is a subsequent one later in the day for ASPSPs.
  + Will there be changes to the standards prior to wave 1 implementation?
    - RK explained that a small number of changes are being discussed, e.g. TRIs and MI reporting. These would be implemented via the MLA potentially supported by participant guidance, rather than a full standard change
  + Should the merchant name in payment flow be included as a requirement?
    - RK explained that this is something that is being considered and we will ask for feedback on.
  + What are the plans around the development of the commercial model?
    - RK highlighted the clear need for a price point in the MLA and that we are wating for a response to the Call for Views from the PSR, which may provide clarity.
  + What happens in H1, especially if there is no funding?
    - We are delivering the building blocks for VRP roll out by the end of the year. We will then provide a period in January for all the artefacts to be reviewed in the round and gain wider input. We are also developing a roadmap on follow on activity which will inform the H1 25 plans.
  + What are the plans for premium APIs?
    - RK explained this is with the FCA to progress

Status update

* RK provided an overview of the status of the programme, highlighting those workstreams that are showing amber or red.
* WS1 and 2a – There are concerns around the volume of data being made available. Roundtables are being held to understand the reasons and then making recommendations to JROC.
* WS5 – There are two areas of concern:
  + Disputes – this is reporting amber due to the need for a decision on the disputes mechanism and the uncertainty around the build timeline which differs by solution. Work is well underway to make the decision and understand the build implications. Aiming to have a proposal for the September JROC Board
  + MLA – reporting amber due to the need for a decision on the procurement approach for the legal support. Discussions nearing completion to allow this to progress so that legal support is onboarded for early September.
* Questions asked and points raised on the status report were:
  + How is the process progressing to whittle down the number of dispute mechanism options?
    - RK that this is being progressed with the aim to discuss this as the next VRP WG
  + It was noted that some of the deliveries will stretch into 2025, e.g. around the MLA ownership, and hence how is the plan being future proofed?
    - RK noted this point and discussed how these were being included in the thinking for the activity plans and funding for H1 25
  + It was noted that that there are uncertainties around future funding, which needs to be flagged as a risk.
* RK provided an overview of the governance structure and a summary of the programme meetings to date. As part of this further questions were raised about the status of the premium API work. John F from the FCA said they are starting a discovery phase to flesh out premium APIs deliveries. A plan will be shared when available.

Procurement approach for MLA legal support

* John C provided an overview of the options and discussions to date. He reiterated the point that this needs to be progressed swiftly to ensure that subsequent programme dates are not threatened.
* Members were broadly supportive of the need to progress this and suggested that the ‘path of least resistance’ is progressed.
* It was highlighted that there is a risk that around the future owner of the MLA may disavow the MLA wording if they did not lead the MLA development process. This was noted and aiming to mitigate via including all parties in the development process.

Broader WS5 overview

* RK provided an overview of the WS5 detailed scope slides and asked for questions.
* It was asked that given that wave 1 is a very low risk then whether a full disputes system is required for wave 1 rollout. RK noted that we are looking at all the options and are conscious of the need for an ‘MVP’ approach. Some of the banks noted that it could be difficult for them to sign-up until they had completed a full assessment of the downside risk, which includes a review of the consumer duty implications. One of the TPPs felt that the uplift in risk is small and incremental, which should not create a major consumer detriment and that all firms, TPPs and banks, are subject to consumer duty.
* A question was asked about the definition of the low-risk cases and that some of the banks may not see these as low-risk and it would be subject to a review by the banks’ internal governance processes.

AOB

* Truelayer asked if the funder reps have a slot at JWIG to provide views from the funding firms.