

Update on the retail banking market investigation

This update sets out the key developments on the retail banking market investigation since the last [update in November 2015](#).

Further to the [publication of our provisional findings and Notice of possible remedies](#) on 22 October 2015, we held a number of response hearings and roundtables with a range of stakeholders during November and December 2015. Transcripts and summaries of these hearings, along with non-confidential versions of responses to our provisional findings and Notice of possible remedies, have been published on the [investigation case page](#).

In November 2015, we [published a Notice confirming the appointment of Optimisa Research to conduct qualitative research](#) to inform the development of some of the proposed remedies aimed at increasing engagement in the retail banking market. A copy of the Optimisa Research report will be published on the [investigation case page](#) in due course.

In early December 2015, we [published a Notice confirming the appointment of BDRC Continental and GfK NOP](#) to conduct quantitative research (Omnibus survey) to guide the development of the measures aimed at improving the account opening and switching process (remedies 6 to 11 in the [Notice of possible remedies](#)), building on the qualitative and quantitative evidence from the Financial Conduct Authority Current Account Switch Service review. The results of the Omnibus survey will be published on the [investigation case page](#) in due course.

Later in December 2015, further to consideration of the responses received to our [Notice of possible remedies](#), we [published an invitation to comment on additional remedy suggestions](#). A number of respondents had raised some concerns regarding the extent to which our proposed remedies may address difficulties faced by arranged and/or unarranged personal current account (PCA) overdraft users. In addition, some respondents suggested alternative remedies or further variants on our proposed remedies that may address issues faced by PCA customers with overdrafts. Responses to our invitation to comment have been published on the [investigation case page](#).

Further to the PCA pricing analysis we undertook ahead of our provisional findings, on 22 January 2016 we [published a Notice of intention to undertake a second iteration of the PCA pricing analysis using transactions data](#) in order to refine and update the analysis. This work is again being undertaken by Runpath Digital Ltd.

During the coming months, we will be:

- continuing to engage with a wide range of stakeholders across the UK and to progress all the areas described above;
- undertaking further work on remedies aimed at improving outcomes for PCA overdraft users and progressing work on the main package of remedies including following up on remedies proposed in response to our remedies notice. This will include discussions with Nesta on the small business innovation challenge,¹ and British Chambers of Commerce (BCC) and Federation of Small Businesses (FSB) on the Business Banking Insight² initiative;
- undertaking further work on the bank levy and corporation tax surcharge in respect of which we will be publishing our analysis by the end of February;
- undertaking further work to establish what impact the capital requirements regime is having on competition in the retail banking market. We will be publishing additional analysis on capital requirements by the end of March;
- publishing the updated PCA pricing analysis being undertaken by Runpath by the end of March; and
- continuing to review [the 2008 Northern Ireland PCA Order](#) and the [SME undertakings](#) and announcing our provisional decision on these alongside our provisional decision on remedies.

Further to the [press release](#) issued today, an updated [administrative timetable](#), including confirmation of the publication date for our provisional decision on remedies, will be published in early March.

Updates and notices on our ongoing work, as well as non-confidential versions of key submissions we receive, will continue to be published on the [investigation case page](#) as they become available. Please subscribe to our [banking case alerts](#) to be kept up to date with all news on this investigation and if you wish to submit any information or raise any concerns relevant to the investigation please contact retailbanking@cma.gsi.gov.uk.

29 January 2016

¹ [Nesta](#) is an independent charity supporting individuals and organisations to bring innovative ideas to life with support ranging from early stage investment to in-depth research and practical programmes.

² BCC and FSB are co-sponsoring the [Business Banking Insight](#) website which shows results from a survey of thousands of UK small and medium-sized businesses, who were asked about their experience of the banks they use.