

Update on the retail banking market investigation

Last week we published our [provisional decision on remedies](#) (PDR), our provisional decisions on the [2002 SME banking undertakings](#) and the [2008 Northern Ireland PCA Banking Order](#). This week we have published a [working paper](#) presenting the updated results of our personal current account (PCA) pricing analysis and a [notice of intention](#) to operate a confidentiality ring to allow submissions on the unredacted version of the working paper.

Our PDR, published on 17 May 2016, contains a wide-ranging package of proposals to improve competition in PCAs and banking services for small and medium-sized enterprises (SMEs). This includes measures to increase customer engagement, to improve transparency and to make better information available to customers. We want to harness new technology to empower customers to compare and switch accounts easily, and to get access to new and innovative banking services. We are therefore proposing to require banks to move swiftly to introduce an Open API (application programming interface) banking standard. This standard will enable personal and SME customers to safely and securely share their transaction history with trusted third parties to get comparisons tailored to their individual circumstances.

In addition, there are various measures targeted at overdrafts, including requiring banks to set a monthly maximum charge for unarranged PCA overdrafts. We have also introduced measures focused on making the current account switching service (CASS) work even better. We are proposing measures that target SME banking, making it easier for business customers to compare different providers, open a new current account and make the prices and availability of lending products more transparent.

In parallel we have also published our provisional decisions on the reviews we have conducted of the 2002 SME banking undertakings and the 2008 Northern Ireland PCA banking Order. This was to see whether these older remedies will still be needed in light of market changes and the new remedies that we are now proposing.

Since the publication of the provisional findings report, we have also undertaken further work to update and extend our analysis of PCA pricing which assesses current price and quality outcomes in the PCA market as well as gains from switching. Today we have published a working paper which presents the updated methodology and results of this further analysis. As set out in our [notice of 4 May 2016](#), we will also be opening a disclosure room from Wednesday 25 May 2016 to

Tuesday 7 June 2016 inclusive, to allow parties (through their external advisers) to review and understand further this pricing analysis. In addition we also intend to release the unredacted working paper into a confidentiality ring as set out in our [notice](#) published today.

We are now seeking comments on the proposals in our PDR, the updated pricing analysis working paper and our other two provisional decisions. The deadline for responding to these is **Tuesday 7 June 2016**. It will be very difficult for us to fully consider and take into account responses to these consultations received after this date.

We are not at this stage planning to hold further hearings or roundtables with parties, although we will keep the position under review in light of particular responses to the PDR and other consultations.

Any final comments that interested parties wish to make on the investigation must be submitted by no later than 22 June 2016. We will not be able to take into account submissions received after this date because of the limited time remaining until our statutory deadline.

We will then in early August be publishing our final report, which will set out our findings and decisions on remedies. This will take into account any further responses we receive, as well as the responses we've already received to the [provisional findings report](#) we published on 28 October 2015 and to the [addendum to the provisional findings](#) published on 15 April 2016.

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.

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