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CMA strategic review of markets remedies

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Response from

Barclays Bank UK plc

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Executive summary

Barclays welcomes the opportunity to respond to the CMA's strategic review of markets remedies.

In our view the remedies imposed as a result of the CMA's 2014-16 retail banking market investigation are no longer necessary or appropriate and should now be revoked. The retail banking sector has undergone significant change since the CMA's remedies were imposed, as detailed in this submission, and the threshold for the CMA to remove these remedies has clearly been met.

We are grateful that both the CMA and DBT have recognised the considerable burden that market investigation remedies place on the relevant firms. Revoking the retail banking remedies will result in the regulatory burden being substantially reduced, and will allow further growth, innovation and competition to flourish in this important sector.

Introduction

Barclays welcomes the opportunity to respond to the CMA's 2026 strategic review of markets remedies (**Strategic Review**). We have focussed our submission on the Retail Banking Market Investigation Order 2017 (**RBMI Order**).[1] In our view, there are clear and straightforward changes of circumstances present in relation to the RBMI Order, meaning that both the legislative test[2] as well as the conditions set out in the CMA's guidance[3] are met. Further, revocation of the RBMI Order would clearly be in line with the CMA's 4Ps (pace, predictability, proportionality and process) and the UK's growth agenda.

We have set out below our views and supporting evidence under the following headings, reflecting the changes of circumstance that the CMA is considering that are most relevant to this sector:[4]

(a) Market developments: *changes in the market and competitive landscape since the remedy was introduced. For example, the entry and expansion of competitors to the bound businesses or a change in consumer behaviour.*

(b) Age and impact: *the age of the remedy indicates that the remedy no longer addresses the original competition problem and/or consumer detriment which it was designed to remedy. For example, a remedy which predates developments such as the internet or a remedy requiring bound businesses to provide information to consumers which is no longer used or is no longer relevant to them.*

(c) Regulatory landscape: *changes to relevant regulations or legislation affecting the appropriateness of the remedy. For example, alternative regulatory or legislative solutions have been introduced to address the original competition problem.*

We have also included some more specific data and views in relation to individual remedy requirements, although in our view the changes in circumstance justify revocation of the RBMI Order as a whole.

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[1] We note that the CMA has excluded Part 2 of the RBMI Order from its Strategic Review; we have referred throughout this submission to the RBMI Order for ease. For completeness, Barclays exited the PPI market in 2023 and we consider that the PPI Order is no longer needed.
[2] section 162 of the Enterprise Act 2002
[3] Markets regime Guidance (CMA3) https://assets.publishing.service.gov.uk/media/6980967284f2153b1124531e/__Guidance_on_CMA_market_reviews__market_studies__market_investigations_and_the_monitoring_and_review_of_market_remedies__.pdf, paragraph 9.34
[4] Consultation document, *Strategic review of markets remedies* 19 January 2026, available at https://connect.cma.gov.uk/strategic-review-of-cma-markets-remedies, paragraph 10

A) Market developments

The retail banking landscape today is entirely different to that reviewed by the CMA in its retail banking market investigation (**RBMI**), which finished almost 10 years ago. New and improved technology, regulatory interventions (including the CMA's remedies) and broader market developments have driven entry, enabled more active engagement by customers with their banking and financial services requirements and resulted in greater dynamism and intensified competition in the sector. In relation to business banking in particular, Covid and the related Government lending schemes also catalysed significant changes.

Breadth of retail banking providers and new market entry and expansion

The retail banking sector now comprises an even wider variety of providers than at the time of RBMI, with many different types of new entrants and expanded players, including in relation to the provision of personal current accounts (**PCAs**), business current accounts (**BCAs**), and SME lending, and not to mention the wide variety of third party providers (**TPPs**) in relation to Open Banking.

Newer entrants into the sector in the last 15 years have included: Funding Circle (2011); Atom (2013); TSB (2013); Starling (2014); Monzo (2015), Revolut (2015; received its banking licence in 2024; entered the BCA market in 2024); Tide (2015); Tandem Bank (2017); Marcus (2018); Allica Bank (2019); Zopa (2019); Chase (2021) and Cashplus (now Zempler, 2021). TPPs/Fintechs include Truelayer (2016), Credit Kudos (2015, acquired by Apple in 2022), GoCardless (2011), Wise (2011), Curve (2018), Tink (2012, acquired by Visa in 2022), Finicity (1999, acquired by MasterCard in 2021), Yapily (2018), ANNA (2018), CountingUp (2018), and Plaid (2012). New entry continued in 2025, including with Klarna's launch into UK banking / debit cards and digital wallets in October 2025, marking a material extension of its BNPL offering into other areas.[5]

There has been significant expansion in the sector since RBMI, including for a number of the "scale challengers", for example via transactions such as Nationwide/Virgin Money (2024), Santander/TSB[6]

[5] https://www.fintechweekly.com/magazine/articles/klarna-uk-digital-wallet-debit-card-launch-fintech#:~:text=Klarna%2C%20best%20known%20for%20its,for%20spending%20management%20and%20rewards.

[6] Santander announced that the combined entity would be the third largest UKB bank by PCA balances – see press release 1 July 2025 https://www.santander.co.uk/about-santander/media-centre/press-releases/santander-to-acquire-tsb-from-sabadell-for-ps265

(2025) and Co-op/Coventry (2025).[7] The growth of the "scale challengers" (including Santander, Nationwide, Virgin Money and TSB) had already been recognised over time, for example by the FCA 2022,[8] but the FCA now refers to six "large firms",[9] a clear shift compared to 2014-16.

In the SME banking market, the CMA itself has observed *"that there has been considerable entry and expansion into SME banking markets since 2002 (and particularly over the past decade or so), leading to a material increase in the diversity of providers and product offerings available to customers and in the level of competition in the SME business loans and deposit account markets."*[10]

Another key change has been the further entry of Big Tech into financial services (see also below in relation to digital wallets). For example, Amazon launched a co-branded credit card in 2017, with New Day[11] and with Barclays in 2024.[12] Apple offers finance options with both PayPal and Creation.[13] Google Pay now offers finance options with Klarna.[14]

Open Banking, contactless and digital wallets

The launch of Open Banking[15] in 2018 marked a transformational change in the retail banking landscape with Open Banking Limited reporting 34.57 million payments in the UK in December 2025, and more than 16.5 million user connections in the UK,[16] covering both consumers and SMEs and financial management apps and payment tools.[17] This transformation has been recognised by

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[7] Other transactions include Sainsbury's Bank/Natwest and Tesco Bank/Barclays in 2024, although these did not involve acquisition of PCAs or SME products.

[8] Report on the Strategic Review of Retail Banking Business Models https://www.fca.org.uk/publication/multi-firm-reviews/strategic-review-retail-banking-business-models-final-report-2022.pdf

[9] Consultation Paper CP26/3*Retail Banking Business Models (R2B2), https://www.fca.org.uk/publication/consultation/cp26-3.pdf. The other 27 firms within scope of this matter are referred to as smaller firms, but their impact on competition cannot be underestimated.

[10] https://assets.publishing.service.gov.uk/media/6929629ea245b0985f034245/final_decision.pdf (paragraph 2.14)

[11] See, for example, https://www.headforpoints.com/2017/01/13/amazon-platinum-mastercard-credit-card-launched/

[12] https://www.amazon.co.uk/dp/B0BH98211K?plattr=K?BGACN00&ie=UTF8&tag=googhydr-21&hvadid=708115419747&hvpos=&hvexid=&hvnetw=g&hvrand=5870660570174647449&hvpone=&hvptwo=&hvqmt=b&hvdev=c&&ref=BGACN007

[13] https://www.apple.com/uk/shop/browse/financing

[14] https://www.klarna.com/international/press/klarna-launches-on-google-pay-in-the-uk/

[15] References to Open Banking in this submission mean the read/write APIs under Article 14 of the RBMI Order.

[16] https://www.openbanking.org.uk/news/open-banking-limited-marks-8-years-of-transforming-the-uks-financial-landscape/

[17] https://www.openbanking.org.uk/news/cma-confirms-full-completion-of-open-banking-roadmap-unlocking-a-new-era-of-financial-innovation

Government in its National Payment Vision (NPV):[18] "*This approach has been hugely successful in safely opening up access to payment accounts – enabling fintechs to enter the market and provide innovative products and services*". It is this success which has then enabled industry to set up the UK Payments Initiative (UKPI) to operate a commercial variable recurring payments scheme,[19] a key step in the process of enabling seamless account-to-account payments in the UK, pursuant to Government's ambitions in the NPV. Further relevant developments relating to Open Banking include: the launch of Amazon account-to-account payments via Pay by Bank with Truelayer;[20] the HMRC payment method via Ecospend;[21] the rise of Revolut on Open Banking rails;[22] ongoing industry work supported by UKF on point-of-sale account-to-account payments, again further to Government's ambitions in the NPV; the MasterCard[23] and Visa[24] account to account solutions; and Apple's in-wallet account information service.[25] Amex[26] and Virgin Money[27] allow customers to make bill payments via Open Banking and Wise[28] and Plum[29] use Open Banking for customer top ups. We also understand that the main players in gaming and gambling use Open Banking as the top up method of choice.[30] We also see a continuing trend of 'Pay by Bank' becoming more common at online checkouts for a number of retailers, including Amazon,[31] eBay[32] and Ryanair.[33]

Embedded banking propositions are also now appearing, e.g., Boxed (Natwest), ClearBank, Railsr, Modulr and AI tools are increasingly offering embedded finance features, primarily by integrating with payment processors and financial institutions to enable commerce directly within the chat interface, creating "agentic commerce". This is being facilitated by the prevalence of smartphones in people's

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[18] https://assets.publishing.service.gov.uk/media/6736385fb613efc3f182317a/National_Payments_Vision..pdf
[19] https://www.fca.org.uk/news/news-stories/open-banking-2025-progress
[20] https://www.openbankingexpo.com/news/amazon-expands-uk-payment-options-with-pay-by-bank-via-partnership-with-truelayer/
[21] https://www.openbankingexpo.com/news/ecospend-retains-open-banking-contract-with-hmrc/
[22] https://www.fintechfutures.com/open-banking/revolut-launches-open-banking-for-all-uk-retail-and-business-customers
[23] https://developer.mastercard.com/product/account-to-account-commerce/
[24] https://www.visa.co.uk/businesses/account-to-account.html
[25] https://www.apple.com/uk/newsroom/2023/11/new-apple-pay-feature-helps-users-access-account-information-more-conveniently/
[26] https://www.americanexpress.com/en-gb/merchant/pay-with-bank-transfer/merchant/
[27] https://www.globalpayments.com/en-gb/insights/virgin-money
[28] https://wise.com/help/articles/2977964/paying-by-open-banking
[29] https://help.withplum.com/en/articles/8861509-open-banking
[30] e.g. https://www.thisweekinfintech.com/bet365-makes-pay-by-bank-its-recommended-payment-option-twif-uk-europe-26-01/; and https://truelayer.com/blog/igaming/igaming-operators-open-banking-strategy/
[31] https://www.openbankingexpo.com/news/amazon-expands-uk-payment-options-with-pay-by-bank-via-partnership-with-truelayer/
[32] https://truelayer.com/newsroom/announcements/ebay-partners-with-truelayer-to-offer-pay-by-bank-at-checkout/
[33] https://www.ryanair.com/ie/en/lp/travel-extras/pay-by-bank-app

daily lives. With over 8 billion smartphones worldwide, there are now more mobile phones than people in the world.

Since RBMI there has also been substantial increase in consumer use of contactless payments and digital wallets. The FCA reported in its Financial Lives 2024 survey that 92% of adults had made a contactless payment (up from 63% in 2017), 52% had used a mobile wallet (up from 14% in 2017), and 2% of adults said they had used cryptocurrency to pay for goods or services.[34]

Apple Pay and Google Pay only launched in 2015 (during RBMI), but there is now a substantial volume of transactions routed via these methods, with the FCA noting that digital wallet transactions increased from 1bn in 2019 to 9bn in 2023.[35] Apple Pay, Google Pay and Samsung Pay are the main players, with their digital wallets accessible both on mobile devices and via smart watches. [✂]. UK Finance's Payment Markets Report 2025 shows that 57% of UK adults were using mobile wallets, with an overall 18.9 billion of contactless transactions (debit and credit card payments) in 2024.[36]

[✂].[37] In September 2025 digital wallet spend by Barclays credit and debit cardholders was greater than the value of plastic contactless and chip and pin combined. More cardholders are using digital wallets for a greater number of higher-priced card transactions and Barclays projects that these trends towards digital wallet payments will continue in the coming years with these payment types accounting for [✂].

Shopping around, switching and multi-banking

Customers are able to access a wide swathe of information on PCAs, BCAs and SME lending, assess that information and act by switching provider if they want to. Awareness of and satisfaction with the Current Account Switch Service (**CASS**) is high, with 93% of those who had used the service in the last three years saying they were satisfied with the process.[38]

[34] https://www.fca.org.uk/publication/financial-lives/fls-2024-payments.pdf, page 18
[35] https://www.fca.org.uk/publication/feedback/fs25-1.pdf
[36] https://www.ukfinance.org.uk/news-and-insight/press-release/over-half-uk-adults-now-use-mobile-wallets
Note that the data for this report, published 2025, covers the year 2024.
[37] [✂]
[38] https://www.wearepay.uk/wp-content/uploads/2026/01/CASS-Dashboard-Q4-2025.pdf

In relation to PCAs, we estimate that switching rates have doubled since RBMI.[39] Barclays continues to track data available on the providers to which our customers switch and to use this to inform its products and propositions, including switching incentives.

Multi-banking has also doubled, with 61% of PCA customers holding more than one current account (of which, around 34.3% of customers hold two current accounts, and around 26.6% holding three or more current accounts).[40] This is significantly higher than the data at the time of RBMI, which showed a range between 25-31% customers with more than one current account.[41] The CMA found at that time that there was evidence that multi-banking can help increase competition, and the FCA has since found that "*many more PCA customers now have more than 1 bank account than in the past, enabling them to try out new products and services without having to switch accounts. As an indication of this trend, our data indicates that over the last four years, the number of PCAs has increased by 15%, from 87 million to over 100 million. This means that, on average, each adult in the UK now has approximately 1.9 current accounts. We believe that this is a positive development for competition as it allows consumers to try out different products and build trust in other brands*".[42]

For SME banking, although the switching rate (the proportion of SMEs changing their main bank in a 12-month period) has remained relatively constant over the past decade at c.3% a year, these flows have become primarily directed to digital-first banks and electronic payment providers.[43] In 2025 they received 52% of switchers-in across the lower end of the business banking market, with only 30% going to one of the larger banks[44]. Further, competition among established SMEs does not rely on businesses changing their main bank. With the introduction of Open Banking there has also been a rise in the

[39] RBMI final report refers to 3% (paragraph 6.11); Ipsos data shows the proportion of current account customers switching brands is currently 6% (3%) as of October 2025 (October 2017). © Ipsos 2025, Financial Research Survey (FRS), for the 6 months ended 31 October 2025 (October 2017). Results based on a sample of 25,686 (30,324) personal current account holders (aged 16+). The survey contacts around 50,000 adults (aged 16+) a year in total across Great Britain. Interviews were over the phone and online, taking into account (and weighted to) the overall profile of the adult population. Switching to refers to those that have full switched their current account in the last 12 months, closing their previous account and opening at a new provider.

[40] © Ipsos 2025, Financial Research Survey (FRS), for the 12 months ended 31 December 2025. Results based on a sample of 51,165 personal current account customers (aged 16+). The survey contacts around 50,000 adults (aged 16+) a year in total across Great Britain. Interviews were over the phone and online, taking into account (and weighted to) the overall profile of the adult population.

[41] See paragraphs 6.27-6.35 of the Final Report

[42] Strategic Review of Retail Banking Business Models – Final Report, paragraph 2.6

[43] Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales. Neobanks include: Starling, Tide, Monzo, Revolut, TransferWise, Zempler, ANNA, CountingUp, SumUp. This excludes 'fintech' brands of established banks: e.g. Metter, Kinetic.

[44] Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales. Barclays, HSBC, Lloyds BG, NatWest BG (including Mettle) and Santander. This definition includes all relevant brands within each of these groups.

proportion of SMEs using 'core' products away from their main bank, as well as multi-banking for their BCA needs.[45]

Since 2019, the flow of new businesses has been increasingly directed to digital-first banks, with their collective share of start-ups reaching 43% in 2025.[46] As a result, the share going to the largest banks at the start of this period fell from 90% to less than 50%. The SME market is characterised by a much higher rate of churn than seen in personal banking, attributed to a higher proportion of the total stock of businesses in the UK both starting and closing, thus these significant shifts in competition for start-ups soon has an impact on the broader base of businesses. In contrast to the rise of the previous substantial market challenger – Santander in the decade to 2012 – there has been very broad based entry, with the number of 'substantial' providers rising from nine to 17 in the past six years.

The prominent role of digital-first banks in the start-up segment has flowed through to a material position in the lower end of the business banking market. In 2025, these providers accounted for 14% of main bank relationships, with the largest banks seeing their share drop from 92% in 2016 to 77% in 2025.

In the small business market, these wider changes were likely to have been further bolstered by the Alternative Remedies Package[47], which provided £775m to new and growing providers to develop their propositions and attract switching firms. In SME loans, the CMA has observed an increase in customers' propensity to consider alternatives to the larger banks and to switch providers over the last two decades, and recognises that lower switching rates can in any event indicate satisfaction with the current provider.[48]

[45] For smaller established SMEs this has resulted in the use of 'other' providers rising from 10% in 2016 to 17% in 2025 for instant deposit accounts, 26% to 32% for term deposits and 15% to 36% for loans. Wider engagement with other providers is also likely to increase the pool of SMEs that will consider and change their main banking relationship. Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales. Covering 3251 businesses with a turnover up to £6.5m (including Startups). Weighted by region and turnover to be representative of businesses in Great Britain.

[46] Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales. Covering 548 businesses with a turnover up to £6.5m. Weighted by region and turnover to be representative of businesses in Great Britain. 'Digital-first' are neobanks where the primary means of interacting with customers is through digital channels.

[47] https://www.gov.uk/government/publications/rbs-state-aid-alternative-remedies-package

[48] https://assets.publishing.service.gov.uk/media/6929629ea245b0985f034245/final_decision.pdf (paragraph 2.53, 2.67)

In the small business market, multi-banking has also been on the rise. The latest estimates show that product use for business loans and term deposits taken out by SMEs,[49] outside of their main banking provider, at between 30 – 39%.[50]

Significant change in customer channel preference

In 2018 Barclays had 1,062 operating branches and 32 Business Centres. As of February 2026, our physical operating model looks markedly different, with only 206 operating branches and 5 Business Centres.[51] Other institutions with large physical footprints have gone through a similar exercise of right-sizing their physical estates. While mobile banking had already begun to take off at the time of RBMI (the final report refers to 27% of adults using mobile banking in 2014[52]), digital engagement by retail banking customers has increased very markedly in the last 10 years, with digital engagement among SMEs approaching 100%[53] and personal customers (among main personal current account customers using branch, internet or mobile to manage their account) at 85%[54]. Thus as digital engagement has increased (and the number of customers who transact using cash continues to decrease), there has in recent years been a corresponding reduction in the importance of and use by many customers of physical branches, although we recognise that physical access still remains important for some

[49] With an annual revenue of less than £6.5m.
[50] Depending on product type and SME size. See Savanta Business Banking Survey. This survey shows use among product holders outside of their main banking provider at - Deposit, instant (17%), Deposit, term (32%), Loan (36%) - for established businesses with turnover up to £1m. The equivalent figures for £1m to £6.5m turnover businesses were - Deposit, instant (15%), Deposit, term (30%), Loan (39%). Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales. Covering 1075 businesses with a turnover up to £1m (including Startups) and 2176 businesses with a turnover from £1.1 to 6.5m. Weighted by region and turnover to be representative of businesses in Great Britain.
[51] For completeness, and in addition to shared banking hubs, Barclays has retained a footprint of community touchpoints to support customers on arranged days, in an open space community location (including libraries and community centres/halls, with a small proportion in office spaces/business hubs (such as shared work spaces), leisure centres and arts theatres). See: https://www.barclays.co.uk/our-locations-explained/
[52] Paragraph 5.163
[53] Digital engagement among SMEs is approaching 100%, with 98% of businesses with turnover between £1m and £6.5m, and 96% of those with turnover up to £1m, actively using online or mobile banking with their main bank. Data sourced from MarketVue Business Banking Survey from Savanta, YE Q4 2025, England and Wales. Covering 5,537 businesses with a turnover up to £1m (including Startups) and 2,553 businesses with a turnover from £1.1m to £6.5m. Weighted by region and turnover to be representative of businesses in Great Britain.
[54] © Ipsos 2025, Financial Research Survey (FRS), for the 6 months ended 31 October 2025. Results based on a sample of 22,787 personal current account customers having selected using a Branch, Mobile, or Internet Banking to manage their main current account (aged 16+). The survey contacts around 50,000 adults (aged 16+) a year in total across Great Britain. Interviews were over the phone and online, taking into account (and weighted to) the overall profile of the adult population. Digital engagement = using at least one digital channel of management for their main account in the last 12 months (Digital channels of management = Using mobile application, internet via mobile phone, used text messages, OR internet on any device).

customer segments. Providers have in recent years also begun to interact with customers at different types of locations, with the 200th shared banking hub being opened in December 2025.[55]

Since 2016 the SME market has moved decisively to a digital-first and – for a substantial minority – a digital-only approach for their banking and financial services. In addition, new digital-based channels have come into the market – in 2025 more than 40% of SMEs made some use of live chat facilities. Over the same period the use of all other conventional channels has declined. For the lower end of established SMEs, this has been most strikingly seen in branch use where any use of those networks dropped from 77% to 33% in 2025. However, the focus on digital has also impacted larger SMEs, with RM contact falling from 85% to 65%.[56]

All of these developments under the broad category of market developments represent a very significant change in circumstances since the RBMI final report in 2016.

[55] https://www.cashaccess.co.uk/news-and-blog/minted-in-history-cash-access-uk-opens-200th-banking-hub/
[56] MarketVue Business Banking Survey from Savanta, YE Q4 2025 England and Wales.

B) Age and impact

The CMA is under an obligation to consider proportionality, both in terms of the extent to which the adverse effects on competition (**AECs**) it identified in RBMI[57] still exist, and whether the remedies are both necessary and proportionate to address any ongoing AECs. If the market were reviewed again in 2024, we do not believe that the CMA would come to the same conclusion on AECs, and certainly remedies of the scope and cost of those currently in force would not be a proportionate response to any residual issues.

It is key that the CMA considers fully the impact that longstanding and, in many respects, outdated requirements on firms in retail financial services have on growth in this sector and the wider economy, and revokes all requirements which have served their purpose and are no longer needed. We are grateful that both the CMA[58] and DBT[59] have recognised the significant burden that market investigation remedies place on the firms that are subject to them, which can have negative impact on productivity and growth[60] as well as potentially distortive effects. The CMA has clarified that it "*is committed to retaining only those remedies that remain appropriate on the basis that they continue to address the competition problem and consumer detriment identified through its markets work*" and that where this is not the case it "*will act swiftly to review and amend or remove the remedy concerned*".[61] This approach brings welcome clarity to relevant stakeholders, and it is in our view clear that there is no ongoing competition problem and/or consumer detriment that requires the longstanding and burdensome remedies of the RBMI Order to be retained.

We estimate that the positive impact of revoking the RBMI Order would be substantial and would allow competition and innovation to flourish still further in the sector, increasing the attractiveness of the UK to investment, and avoiding further costs and uncertainties for businesses and consumers. The Government has made it clear that it is key for unnecessary regulation to be removed in order to drive

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[57] i.e. barriers to searching and switching; low customer engagement (customers not responding to changes in price and quality); lack of product information/poor transparency; and incumbency advantages

[58] See for example CMA3, paragraph 8.98 *"The requirements of a remedy should only be those necessary to address the AEC and/or its detrimental effects. To avoid imposing unnecessary burdens on business, the CMA will seek to minimise costs to ensure that its remedies are no more onerous than is necessary to remedy the AEC it has identified."*

[59] https://assets.publishing.service.gov.uk/media/696e4aa4bbcea094189e23b7/refining-our-competition-regime.pdf (paragraph 58) *Unnecessary and burdensome remedies can distort markets, impose significant costs on both businesses and the CMA, and reduce investment and innovation."*

[60] https://assets.publishing.service.gov.uk/media/68b6bd2dd723ba6f74dba8ca/The_CMA_s_approach_to_markets_work.pdf, paragraph 4.2

[61] CMA3, paragraph 9.33

growth,[62] and the 2025/26 Strategic Steer emphasises the need for the CMA to support growth and competitiveness in the Industrial Strategy's 8 growth-driving sectors, which includes financial services.[63]

Moreover, in our experience, the burden on firms of complying with CMA market investigation remedies has increased considerably since RBMI. Significant colleague resource in the relevant businesses as well as legal, compliance and audit teams is dedicated to compliance with CMA market investigation remedies. Revocation would allow further business resource to be used for innovation and competition, and on the CMA's side would free up resource which could be directed at other cases.

[62] See, for example, https://assets.publishing.service.gov.uk/media/68f8a143190c6607448bb71f/Regulation_Action_Plan_-_Progress_Update_and_Next_Steps_.pdf

[63] https://www.gov.uk/government/publications/strategic-steer-to-the-competition-and-markets-authority/strategic-steer-to-the-competition-and-markets-authority

C) Regulatory landscape

The RBMI Order essentially operates as a form of financial services regulation in an already highly regulated sector. The Prudential Regulation Authority (**PRA**) and Financial Conduct Authority (**FCA**) were established in 2013, only a year before RBMI. The Payment Systems Regulator (**PSR**) was established during RBMI, in 2015. Financial services regulation has expanded since RBMI and now covers the same areas . The CMA itself has observed that regulatory changes have had a material effect on the sector, including the granting of more banking licences and the introduction of Open Banking. These changes have had "*positive effects on the competitive landscape*" in SME banking markets.[64]

A very significant change to the regulatory landscape in retail banking came in the form of the FCA's Consumer Duty, which entered into force in 2023. The Duty is intended to create "*a fairer and more consumer-focused playing field on which firms can compete and innovate in pursuit of good consumer outcomes. Competition can more effectively act in the interests of consumers where firms design products and services to meet consumer needs, and consumers are put in a position to make informed decisions and act in their interests*."[65] The requirements of the Consumer Duty include an obligation on providers to ensure that the products they are offering provide fair value; firms must demonstrate that the price paid by consumers is reasonable as compared to the overall benefits they are expected to receive. It also requires financial service firms to ensure that consumers understand the information they are being provided; firms have to give customers the right information at the right time, in an accessible way; and that we are assessing for and preventing foreseeable harm to customers throughout the lifecycle of our relationship with them.

The Consumer Duty constitutes a step change in the regulatory environment and the CMA can proceed with revocation having confidence that consumers will remain protected and continue to reap the benefits of competition, (with the FCA able and willing to step in where it sees examples of poor practice), and the current duplication of regulation and compliance burden will be significantly reduced.

For the PRA, the stimulation of market entry through lowering regulatory barriers has a strategic priority, through specific initiatives such as the Strong and Simple Framework for small domestic deposit takers (which has the stated objective of furthering the PRA's secondary competition

[64] https://assets.publishing.service.gov.uk/media/6929629ea245b0985f034245/final_decision.pdf (paragraph 2.88)
[65] https://www.fca.org.uk/publication/policy/ps22-9.pdf

objective), and which the PRA has now progressed for a launch in 1 January 2027.[66] The launch of the PRA's New Bank Start Up Unit in 2016 has resulted in PRA authorisation of 34 UK headquartered banks and 20 overseas subsidiaries and branches.[67] This has contributed materially to the transformation of competition in the sector, as outlined above. These initiatives, including the New Bank Start Up Unit, would continue to be in place for the foreseeable future irrespective of the continuation of the RBMI Order.

[66] https://www.bankofengland.co.uk/prudential-regulation/strong-and-simple
[67] https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/report/prascgo-june-2025.pdf (page 15)

Further detail/examples

In addition to the market-wide developments and other changes set out above, we have included below further views and evidence relating to individual remedies forming part of the RBMI Order.

Part 3: Service Quality Indicators

We do not consider that providing customers with SQI information as mandated under the RBMI Order is of material benefit to customers in encouraging them to switch providers, for a number of reasons:

- **Usage** - over the period the requirements have been in force evidence has not materialised that the information (however it is provided) has had a material impact on consumer behaviour. Whilst we are unaware of any formal studies on the topic, we can see that the Barclays page containing the full SQI results for the GB/NI Retail and GB Business surveys averaged only [✂] visits per month in 2025. This figure includes internal visits to the page by Barclays colleagues for governance purposes. Given the page is in a prominent, easy to reach location this suggests that the information is very much not sought out by customers to assist with their financial decision making.
- **Physical posters** - Given the significant changes to branches and increase in digital engagement described above, posters in branches have dramatically less reach and are not an effective way of getting information to customers. Combined with the costs of physical publications (which are markedly higher than those of maintaining up-to-date online information) the production of the posters is in our view not proportionate to any limited benefit the information may have, or to any potential residual competition issues.
- **Alternative sources of information** – fast, accurate alternatives are now available to customers to help drive their decision making. The FCA has noted that for "day-to-day accounts" the most frequently used sources for shopping around in 2024 were (i) price comparison website(s) – 50%, (ii) websites of individual providers – 50% and (iii) best buy tables – 35%, with the SQIs only at 13%.[68] These other sources to compare providers and their offerings may including Which? Surveys and best buy ratings, Moneysupermarket and other aggregator sites, Fairer Finance and other ratings tools, Money Saving Expert and Trustpilot. Trustpilot alone shows

[68] https://www.fca.org.uk/publication/financial-lives/fls-2024-retail-banking.pdf, page 95. "Day-to-day accounts" are "*the account people use for day-to-day payments and transactions. For most people, this is a current account. For others, it can be a savings account (with a bank, building society or NS&I), or a credit union savings account*" (page 18).

thousands of reviews for each brand in the SQI survey, in contrast to the SQI surveys themselves which only cover 500 (NI Retail), 1,000 (GB Retail) and 1,200 (GB Business) brand users per year. Many of these sites also allow for qualitative comments alongside star ratings thereby providing more context and detail than the SQIs alone.

In addition to the information specific to the SQIs not being a driving feature behind customer behaviour, we consider both the financial cost and colleague time associated with Part 3 compliance is disproportionate. Whilst the survey costs are not in isolation unreasonable, their value is negligible for the stated purpose of encouraging customers to switch provider. When this is considered in tandem with the material colleague time spent on the six monthly cycle of production, publication and checks/governance across multiple business areas and functions, it suggests that the burden on firms significantly outweighs the customer benefit.

We also consider that placing an additional compliance burden on banks with branches as compared to digital-only banks is not justified, noting that the costs of physical publications are markedly higher than those of maintaining up-to-date online information, and so there is a real distortive impact here.[69]

Article 13 under Part 2 of the Order provides that Barclays and the other eight banks (together, the CMA9) subject to the Open Banking remedy must publish SQI results via an open data API under the Read-only Data Standard. In practice, we note that Open Banking Limited has been fulfilling this requirement on behalf of the CMA9.[70] Should the requirements under Part 3 be revoked, Article 13 would also need to be removed or suspended.

[69] These costs cover not only the preparation and printing of the SQI results posters, but their distribution and installation, together with additional compliance checks across hundreds of sites.
[70] https://www.openbanking.org.uk/news/obie-publishes-open-data-service-quality-indicators/

Part 5: Payment Transaction Histories

Payment transaction histories (**PTH**) were intended to "*help reduce the perceived or real risks of switching, and encourage customers to switch accounts*".[71]

We consider that the requirements of Part 5 serve no effective purpose to customers in addressing the original AEC identified by the CMA in the Final Report – switching is effected successfully without the need for five years of PTH, [✂]. As the CMA rightly acknowledges in its press release to this Consultation, [72] customers can now easily access PTH online, should they require this, and so we strongly agree that retiring these rules would contribute to reducing the regulatory burden on affected banks, without any customer detriment.

[✂]

Former customers would be able to request statements regardless of the PTH process for up to six years after they close or switch their accounts, should they require them, meaning that neither personal customers nor SME customers would be disadvantaged by the revocation of the RBMI Order. Statements can be requested in person, via phone or online.[73]

Customers continue to place very limited importance indeed on the receipt of PTH at the point of account closure. Should the need arise to access information related to a closed account, this can still be obtained – closed accounts remain visible to bank staff in product holdings for six years, and where an account has been closed for more than six years, it is usually possible to obtain statements if so requested by customers (subject to security and other controls).

SME customers equally do not see receipt of PTH upon account closure as a priority. SME customers will generally access required information over the course of the life of the account, and we do not consider that a lack of PTH would contribute at all to a perceived barrier to switching amongst this group of customers. As outlined above, switching is facilitated using other means, and

[71] Final report, paragraph 14.8. The CMA also said "*We are also requiring that customers of all current account providers will be able to get a copy of their transaction history after account closure (free of charge or for a reasonable fee). This is particularly important for SMEs, for which loss of access to their previous transaction history following a switch of banks can make it harder (or at least it is perceived by SMEs that it can make it harder) to secure business loans." [para 188] and "Loss of historical account data: the CMA's qualitative research found that one potential barrier to switching is that SMEs will lose access to their previous transaction history following a switch through CASS. This could potentially affect businesses' ability to apply for financial products in the future as they would not have proof of their transaction history.*" [paragraph 8.123(a)]

[72] https://www.gov.uk/government/news/cma-regulatory-review-aims-to-ease-the-burden-on-businesses

[73] Information regarding how to do this is available on the Barclays website at https://www.barclays.co.uk/help/accounts/statements-balances/order-statement/

competition/switching activity has markedly transformed since the time of the CMA's market investigation. These principles apply to both personal and SME customers.

Part 7 Maximum Monthly Charge

This remedy has not applied to Barclays since 2020, when Barclays ceased charging any "Relevant Charges" within the scope of Part 7. In any event, we consider that this remedy should be revoked on the basis that it is obsolete, and noting that the FCA has since RBMI introduced significant changes to the charges that can be levied on PCAs.[74]

Part 8: Publication of rates for SME lending products

Barclays considers the focus of Part 8 on the publication of Representative Rates to be ineffective and outdated. Representative rates are estimates that do not reflect the actual price a customer will pay. By contrast, Barclays provides customers with live pricing at multiple stages of its application journey, before any commitment is made. This allows SMEs to see the actual cost of the specific product offered to them, based on their individual circumstances, rather than relying on a generic indicative rate.

Representative rates may also distort customer decision-making. They can discourage customers from applying where a representative rate appears less competitive, even though the customer could achieve a better rate through the live pricing journey. Conversely, the CMA's remedies may lead customers to select a product based solely on an advertised representative rate, which may later prove to be higher once relevant information is assessed. In addition, APR and EAR do not support meaningful comparison across products: for example, EAR does not include overdraft fees, which risks misleading customers attempting to compare overdrafts with term loans or to assess overall borrowing costs. This is particularly relevant where Barclays seeks to meet the high standards rightly set by the FCA's Consumer Duty which requires us to be thoughtful and targeted in the information we provide to customers at different stages of the lending lifecycle, with a focus on supporting customers to make good decisions and achieve good outcomes.

Live pricing is widely accessible to Barclays' SME customers. SMEs seeking lending of £25,000 or below will typically see live pricing at the outset of an application across all channels, and again once the application is complete but before funds are drawn. This ensures customers understand the actual

[74] https://www.fca.org.uk/publications/policy-statements/ps19-16-high-credit-review-overdrafts

rate, total cost and repayments prior to any commitment, rather than relying on estimated representative rates.

More broadly, market practices have evolved since RBMI. While Barclays does not have detailed visibility of other lenders' internal processes, a review of competitors' websites suggests that live pricing or actual quoting during the application process is now common, enabling customers to make comparisons on the basis of real offers rather than representative rates. The ability to provide customers with actual, personalised borrowing rates prior to commitment renders the requirements in Part 8 redundant.

Part 9: Tool offering indicative price quotes and eligibility indicator

In 2025, Barclays received [✂] unique visitors to the landing page for Barclays Part 9 eligibility tool, a [✂] decrease on the equivalent number in 2024. The number of site visitors who went on to complete the calculator in 2025 were [✂] - a [✂]drop from the equivalent number of 2024.

As regards customers which then went on to apply for products, in 2024, Barclays received [✂] applications for in-scope SME lending products, of which [✂] were drawn down or booked. By contrast, while Barclays' Part 9 eligibility tool was accessed[75] [✂] times during the same period, only [✂] users ([✂]) progressed to an application and just [✂] ([✂]) received approval. Applications progressed via the tool therefore accounted for approximately [✂] of Barclays' total SME lending applications in 2024, indicating that [✂] of customers apply through other channels rather than using the tool as an entry point.

Although a significant proportion of customers who use the eligibility tool are assessed as eligible for lending (approximately [✂]), the extremely low rate at which those customers proceed to apply strongly suggests that the tool does not meaningfully support customer decision-making or engagement. This disparity indicates that the tool is not functioning as an effective or proportionate mechanism to facilitate access to SME lending and does not materially influence customer outcomes.

As set out above, SMEs are able to access live pricing and actual quotes during the application process, allowing them to understand the real cost of borrowing before any commitment is made. These developments reflect wider changes in market practice and significantly reduce the relevance of a

[75] This includes users who both completed the calculator, and those who accessed the calculator but did not fully complete it.

standalone eligibility tool. The information provided through live pricing is more accurate, personalised and actionable than the high-level outputs of the eligibility tool and better supports informed customer choice.

Looking forward, the removal of granular requirements, such as those in Parts 8 and 9, would allow firms to be more flexible and responsive to customer need. Barclays remains very mindful of its Consumer Duty obligations (as discussed in more detail above) to ensure customers receive the right information at the right time to support informed decision making and good outcomes. Revocation of the RBMI Order would allow us to flexibly evolve to ensure we continue to meet those customer needs as they change over time.

Taken together, it is clear from the above that revocation would better reflect current customer behaviour and market practice, and would remove disproportionate burdens on bound businesses without any meaningful detriment to SME customers.

Conclusion

We trust that this submission provides the CMA with helpful views and evidence on the extensive changes in the retail banking competitive and regulatory landscape which support revocation of the RBMI Order, as well as the benefits for consumers, firms and growth of removing outdated and burdensome requirements.

We believe that a decision by the CMA to revoke the RBMI Order is necessary and proportionate and will improve competition and decrease regulatory burden in an essential sector of the economy underpinning economic growth.