

# CMA publishes findings of 'Lessons Learned' review into Open Banking

The Competition and Markets Authority (CMA) has today published the findings and recommendations of a review by Kirstin Baker, one of its independent non-executive Directors, to identify lessons from Open Banking for the CMA's approach to designing, implementing and monitoring remedies in its market investigations.

Open Banking was introduced following the CMA's Retail Banking Market Investigation, which set out a blueprint for improving the way banks could serve customers and small business. As a result, in 2017 the CMA ordered the 9 largest banks in Great Britain and Northern Ireland (the CMA9) to set up an Open Banking Implementation Entity (OBIE) which would enable customers to share their transaction history data safely and securely with trusted third parties. Today, the UK is a global leader in this area and it is estimated that half the UK's small businesses and over 5 and a half million consumers now use services powered by Open Banking technology.

In 2020, the CMA received allegations relating to conduct at the OBIE and Alison White was appointed to undertake an independent investigation. Her [findings](#) were published in October 2021. The investigation concluded that the then Trustee of the OBIE had not ensured that the organisation was properly managed in accordance with the Retail Banking Market Investigation Order 2017 (the Order). It also found that a lack of appropriate corporate governance had contributed directly to those organisational failings.

Following that investigation a new OBIE Trustee, Charlotte Crosswell, was appointed. Subsequently, the OBIE has strengthened its governance through the appointment of independent non-executive directors and enhancements to its controls, policies and approach risk management. In addition, the OBIE appointed a Chief Executive to strengthen the management and leadership of the OBIE, and a Director of People and HR to drive forward improvements to HR practices and workplace culture. The OBIE also launched a redress process to consider workplace-related complaints by former staff.

When the Alison White report was published, the CMA also announced that Kirstin Baker, a CMA Non-executive Director, would lead a review into the specific lessons for the CMA in its approach to designing, implementing and monitoring remedies in future market investigations. The [Terms of Reference](#) of this review were published in November 2021 and it is the findings of this review that are being published today.

Ms Baker's review has found that the technical solutions to achieve the Open Banking remedy have and continue to be successfully implemented. However, the CMA did not fully anticipate the scale and complexity of its remedy and it failed to foresee or manage some of the key risks inherent in the delivery of the project, in particular in relation to governance at the OBIE and relationships with key stakeholders.

The review makes 7 recommendations to the CMA:

- Recommendation 1: Build more effective Board oversight and risk management of the end-to-end strategy for complex remedies
- Recommendation 2: Set out processes and governance for CMA Board and Executive oversight of the delivery and implementation of remedies
- Recommendation 3: Consider questions relating to implementation at the remedies design phase
- Recommendation 4: Ensure key factors are considered where a remedy establishes a new entity or large and enduring CMA function
- Recommendation 5: Include gateways in the remedy delivery and implementation process
- Recommendation 6: Implement effective and agile internal governance and stakeholder engagement in remedy delivery and implementation
- Recommendation 7: Conduct an evaluation case study of complex market investigation remedies

Kirstin Baker, who led the Lessons Learned review, said:

The Open Banking remedies are some of the most complex ever implemented by the CMA and have been important in opening up competition in retail banking and supporting the growth of UK fintech.

Many stakeholders I spoke to for this review underlined that the CMA should continue to be bold and innovative in using its market powers to benefit consumers. However, the Board recognised that there were lessons for the CMA to learn from the governance failings at the OBIE identified by Alison White and my review has found that the CMA did not match the ambition of the remedy with an appropriate level of oversight or strategic risk management.

The CMA seeks to be a learning organisation and I am pleased that staff at all levels engaged constructively with this review and that changes have already been made or are in progress to address the issues identified.

David Stewart, CMA Executive Director of Markets and Mergers, said:

Since joining the CMA earlier this year, I have become even more convinced of the potential of market investigations to deliver significant positive impacts for consumers.

But however good our analysis and proposed remedies, we will only achieve better outcomes for consumers, businesses and the economy if we follow through on our decisions with effective implementation, monitoring and enforcement.

That is why I am so grateful to Kirstin Baker for her review. It will help shape our work programme on remedies and I am determined that we will deliver on it and report on it publicly.

The CMA will publish a further update next year on its progress in implementing this work programme on remedies.

1. The findings of [Kirstin Baker's review](#) and the [earlier report by Alison White](#) can be found on the CMA's website.
2. Kirstin Baker has served as a Panel Inquiry Chair and Panel Member Non-Executive Director of the Competition and Markets Authority (CMA) Board since 2018. She is also a member of the Audit and Risk Committee. Kirstin had a long career in the civil service and was most recently HM Treasury's Finance and Commercial Director. She has also been a Member of the Competition Appeal Tribunal and a Non-Executive Director of UK Financial Investments. Earlier in her career Kirstin was part of the senior team leading the Treasury's response to the banking crisis and was awarded a CBE for this work. Kirstin has also worked as a competition official in the European Commission, as an EU policy adviser in the Cabinet Office and as a senior civil servant in the Scottish Government, leading work on infrastructure investment banks.
3. Open Banking was part of a package of remedies adopted by an independent Inquiry Group of the CMA in 2017 designed to increase rivalry in the provision of banking services. It requires the 9 largest banks and building societies in Britain and Northern Ireland (the "CMA9") to make transaction data available through a common set of routines, protocols, and tools for building software applications.
4. To implement Open Banking, the CMA made an Order which came into force in February 2017 and required the CMA9 to create and pay for an implementation entity – known now as the Open Banking Implementation Entity ("OBIE") – and to appoint an Implementation Trustee, approved by the CMA, to oversee the process.
5. The OBIE was established by the CMA9 as a limited company, Open Banking Limited ("OBL"). The CMA9 are: AIBG, Bank of Ireland, Barclays, Danske,

HSBC, Lloyds Banking Group, Nationwide Building Society, NatWest Group and Santander.

6. The Open Banking implementation phase will complete later this year. The CMA's [response to the consultation](#) on the future oversight of Open Banking was published on 25 March alongside a [joint statement](#) with HM Treasury, the Financial Conduct Authority and the Payment Systems Regulator, setting out a plan to establish a Joint Regulatory Oversight Committee to oversee the future development of Open Banking after the actions in the CMA's Order are completed and its role draws to a close.

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## [Cost of Living Payment](#)

News story

Guidance on getting an extra payment to help with the cost of living if you're entitled to certain benefits or tax credits.



You may be able to get a payment to help with the cost of living if you're in receipt of certain benefits or tax credits.

These payments are not taxable and will not affect the benefits or tax credits you get.

You may get a lump sum payment of £150 if you're in receipt of disability benefits, such as:

- Armed Forces Independence Payment
- War Pension Mobility Supplement
- Constant Attendance Allowance

For more information, a full list of qualifying disability benefits, and details of when and how the payment will be made, please see the [Cost of Living Payment Guidance](#).

## Hundreds of youth groups across the country to benefit from £380 million Youth Investment Fund

Hundreds of youth services, facilities and organisations for young people in areas with poor provision will benefit from a cash injection as the Government begins to deliver on its £380 million Youth Investment Fund.

The Fund has been designed to create, improve and expand local youth facilities and services across the country, to support young people's health, wellbeing and skills for work and life, no matter where they live.

£12 million funding has been fast-tracked to local youth services where supply is currently far short of meeting demand. This will help to level up access to services, trusted youth workers and dedicated facilities for young people.

The funding will help to expand the reach and range of services on offer, meet demand and reduce running costs. It will be used to cover small-scale capital improvements such as providing new laptops to youth groups, small redevelopments of buildings and facilities, and improving transport, such as providing a new minibus for a youth club so they can keep young people safe and extend activities beyond their local area.

Nigel Huddleston, Minister for Sport, Tourism and Civil Society, said:

We want every young person, no matter where they're from, to have the chance to get the best start in life.

Today we are firing the starting gun on the rollout of our National Youth Guarantee and putting more money into improving access to youth services where it is most needed.

Examples of those supported through the fund and being announced today include:

- Carlisle Youth Zone, which provides a safe meeting place for young people, particularly those experiencing poverty, family breakdown and who are at risk of becoming involved with antisocial behaviours. It has benefitted from a grant worth £48,770 to create an inviting space within its current building through a new lighting system and durable

furniture. It has already resulted in an increase in new members and more young people coming to use the centre for study sessions, peer mentoring, one-to-one chats with youth workers, as well as wellbeing sessions.

- Simple Norfolk CIO in Thetford, which provides services and volunteering opportunities to young people from low income families who are new to the UK. It has benefitted from a grant worth £19,924 to fund new equipment for woodworking sessions that are helping to increase skills and employment opportunities.
- Aptitude Organisation in Coventry, which aims to support children and young people facing mental ill-health to develop new skills, improve their mental wellbeing and reduce the risk of antisocial behaviour. It has benefitted from a grant worth £18,046 for building improvement materials that have made the building a warmer and more welcoming space, alongside kitchen and gaming equipment. It is helping the young people to learn and develop new skills through meaningful activities.

Applications for funding were assessed by BBC Children in Need as an Intermediary Grant Maker.

Today's announcement forms part of the Government's ['National Youth Guarantee'](#) that will ensure young people right across England are given access to more activities, trips away from home and volunteering opportunities, backed by a £560 million investment.

This includes building or refurbishing up to 300 youth facilities over the next three years via the Youth Investment Fund, offering The Duke of Edinburgh's Award to every state secondary school for the first time, as well as increased access to social action projects or the opportunity to learn new money management or public speaking skills through the National Citizen Service.

The pledge will mean that by 2025, every young person in England will have access to regular out of school activities, adventures away from home and opportunities to volunteer as part of the Government's commitment to level up opportunities for all young people. This includes all 11-18 year olds, and up to 25 years old for those with special educational needs and disabilities.

Simon Antrobus, CEO of BBC Children in Need said:

We are incredibly proud of the work that has been delivered in phase 1 of the Youth Investment Fund with DCMS.

A wide range of grants have been awarded, from providing minibuses to enable children living in left behind areas access to youth provision, to upgrading buildings so that young people facing mental health challenges have a safe place to go and talk to a

trusted adult.

This funding will make a huge difference to the way these projects deliver their crucial work all over England and have a lasting effect on the children and young people that they support.

The application process for the remaining £368 million tranche of the Youth Investment Fund is expected to begin in summer 2022. Youth services across 45 local authorities and over 600 district wards in the most deprived parts of England will be eligible to apply.

Ahead of this, the Government has also launched a competition to identify four organisations across England to pilot a minimum of four new youth facilities. Successful organisations will receive funding to pilot a range of new facility concepts and the delivery process associated with their construction. More details, including eligibility, can be found on our [gov.uk](#) page.

ENDS

Notes to editors: \* Applications were invited from local authorities, district councils, voluntary organisations and housing associations, and have been assessed by BBC Children in Need, Intermediary Grant Maker for Phase 1 of the Youth Investment Fund who distributed £12m funding to successful grant recipients. [A full list of funded projects can be found here.](#)

- Further details on the eligibility criteria for the first tranche of the Youth Investment Fund can be found [here](#). DCMS has developed a [detailed methodology](#) underpinning the selection of areas.
- The £380 million Youth Investment Fund comprises capital and resource funding.
- The National Youth Guarantee follows the completion of a [review of DCMS spending on out-of-school youth programmes](#). The review, which was announced in 2020, engaged around 6,000 young people and 175 youth sector organisations, and found that:
  - The Covid-19 pandemic has had an unprecedented impact upon young people – their mental health and wellbeing has declined, with anxiety levels at a 12 year high – and they have seen the largest increase in unemployment of all age groups.
  - Youth services are a vital part of the response to these challenges, delivering benefits for wellbeing and employability skills.
  - Going forward, young people would like the Government to prioritise regular clubs and activities, adventurous trips, and support to volunteer in their local communities.
- The government listened to those young people and created the new National Youth Guarantee, which will ensure that long term Government

spending on youth programmes is focused on supporting young people's mental wellbeing and developing skills for life and work. In response to feedback from youth organisations, it will work to ensure the Government's youth funding is coordinated, levels up accessibility across every region, so that no young person is left behind as the nation recovers from the pandemic.

- The full findings of the Government's review of public spending on out-of-school youth programmes can be found [here](#)

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## [UK signs first US state-level agreement with Indiana](#)

- Agreement with Indiana marks milestone in UK's trade with the US
- It will help open the door to businesses looking to export or invest in the US state and increase collaboration on clean tech to fuel sustainable economic growth
- Shows UK 'state level strategy' is securing results – with further deals in the pipeline

The UK today (May 27 2022) marks a milestone in trade relations with the US by signing its first state-level trade and economic development Memorandum of Understanding (MoU) with Indiana.

The MoU creates a framework to remove barriers to trade and investment, paving the way for UK and Indianan businesses to invest, export, expand and create jobs.

Indiana is an entrepreneurial powerhouse, offering UK firms significant opportunities in areas like renewable energy, advanced manufacturing and pharmaceuticals.

The UK is the seventh largest export market for Indiana, and the state buys \$1.4 billion worth of goods from the UK. This agreement will act as a springboard to grow this even further.

### **In Indiana, International Trade Minister Ranil Jayawardena said:**

It's been fantastic to see the depth and breadth of interest from Indiana industry in trading with the United Kingdom.

With the signing of this MoU, British businesses can capitalise on the great opportunities for collaboration in areas like innovation and manufacturing.



**Secretary of State for International Trade Anne-Marie Trevelyan said:**

Our ambitious agreement with Indiana will help deliver value to UK businesses and support our areas of shared interest, such as levelling up.

This is Global Britain in action, making innovative deals on the world stage – and will help UK companies grow faster, innovate more and support jobs and economic growth.

The agreement will look to improve procurement processes and strengthen academic and research ties, enabling academics and businesses to collaborate more easily.

It aims to support our talented professionals with provisions on diversity aligning with our levelling up agenda to ensure economic growth benefits all communities across the country.

It aims to help talented people from the UK and US to cross the pond for work by paving the way for their professional qualifications to be recognised on both sides.

**Minister of State for International Trade Penny Mordaunt said:**

Our first state-level agreement of this kind is a major milestone for UK-US trade relations and I'm so excited for UK businesses, who can now start reaping the rewards of closer ties with Indiana.

Our state-level strategy is paying off and this is just the first of many agreements we'll be signing in the future as we look to bolster our £200bn trading relationship with the US.

Green trade will be at the heart of talks as both sides look to accelerate clean tech development, with a particular focus on electric cars and low emissions technology solutions.

This agreement is just the beginning of our state-level programme as Minister Mordaunt continues to engage with other US states. The UK hopes to sign more MoUs this year.

**Dave Lawler, Chairman and President, bp America, said:**

bp is excited to see the strengthening relationship between the United Kingdom and Indiana – two places we call home. Today's agreement signals continued momentum to support the long-term competitiveness and decarbonisation of the industrial sector in the US Midwest.

We look forward to serving as a partner for growth as both regions

continue their respective low carbon journeys.

**Duncan Edwards, Chief Executive Officer, BritishAmerican Business, said:**

BritishAmerican Business, and our network of chapters and members, congratulates the British government and the State of Indiana on the signing of a new Memorandum of Understanding which will encourage economic development and investment between the State and the UK.

There is a big opportunity here for the businesses of both markets, especially in the industries of the future, and initiatives like this MoU will help.

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## [Protecting progress made in Libya since the 2020 ceasefire agreement](#)

Thank you, Madam President.

I would like to thank Under-Secretary-General DiCarlo and Ambassador Tirumurti for their briefings.

Recent events in Tripoli make today's discussions particularly timely, so I would like to make three points.

First, I echo calls from the Secretary-General's Special Adviser Stephanie Williams, and others, for calm and de-escalation, following the events of 17 May. Our priority should be to protect progress made since the 2020 ceasefire agreement. Long-term stability will only be achieved in Libya through a refreshed and inclusive political process, including free and fair parliamentary and presidential elections and the withdrawal of foreign forces and mercenaries – including the Wagner group. I would like to thank Stephanie Williams for her tireless efforts to mediate a basis for elections in Libya. That responsibility now sits with the Joint Committee of the House of Representatives and High Council of State. The Joint Committee must now live up to the hopes and expectations of the Libyan people.

Second, we call on all Libyan parties to protect the neutrality and integrity of public institutions and support their reunification. The latest closure of oil facilities must end – it is damaging to the Libyan economy, and to the Libyan people. The National Oil Corporation should not be politicised and must be able to fulfil its duties without interference. Libyan public institutions should be supported to serve the whole of Libya and all Libyan people.

Third, I would like to thank the brave, dedicated women and men who defend human rights in Libya. Accountability for human rights abuses and violations is essential for ending the cycle of impunity. The UN Human Rights Council Fact Finding Mission is an important mechanism for identifying violations and abuses, and the UK welcomes Libya's engagement with the Fact Finding Mission and would support the extension of the Mission's mandate at the next Human Rights Council, to allow the Mission enough time to complete its important work.

Madam President, the UK continues to support the UN-facilitated, Libyan-led and owned political process. We stand ready to work alongside Libya and our international partners to build a more peaceful, stable, and prosperous future for the Libyan people.

Thank you.