



#malgconf2019



Conference 2019

Break out 2a Open Banking

*Facilitator – Bob Winnington (Money Advice Liaison Group)
Speakers – Sandra Parry (Digimass) and
Gareth McNab (Nationwide)*

www.malg.org.uk/conference



The Changing Face Of Debt Advice Digital - What It Can Do And Why It Matters

Jan Mosiewicz - CEO DIGIMASS

An Opportunity to Make a Difference to Consumers

In 1974 the CCA came in to force post the Crowther report which referenced the following:

- Education
- Advice
- Intervention
- Prevention
- Control
- Personal planning
- Personal benefit
- Behaviour modification

In 2018 the Peter Wyman report referenced all of



Growth of the Financial Services Market



Where we are

- End of June 2018 - £1,700 BILLION of borrowings by consumers
- Monthly spend on credit cards in 2018 – £17.3BILLION
- 92% of adults have a debit card
- Approx 120M contactless cards in the UK
- Cash transactions down to 28% of all payments in 2018
- It is predicted that this will fall to just 9% by 2028

Open Banking - How Does it Work?

It's an ecosystem

- Founded through the CMA order of 2016
- Original plan to create free and fair trade for challenger banks
- In 2017 it was expanded to include PSD2 – payment processing
- Mandatory for the top 9 UK banks to both pay for and participate in the ecosystem
- The Ecosystem is made up of Banks and Third Party Providers (TPP's)
- Any bank / financial service provider or TPP can join the ecosystem
- **However** only once they have been approved by the FCA can they offer services to consumers



Open Banking - How does it Work for the Consumer?

The consumer:

- Chooses a Third Party Provider (TPP) – can choose one or several
- Remains in complete control of their information data – data means:
 - details of all the transactions going in and going out of the consumers bank account (including bank balance information)
- Can choose how much or how little to share including how frequently
- Has access to information 24/7 on their phone/tablet or laptop
- With the right choice of providers consumers can:
 - share all current bank account details with their TPP
 - receive a breakdown of their spending daily, weekly, monthly, quarterly and annually
 - be guided to the best market products
 - arrange for direct payments to be made on their behalf
 - share all current account details with their TPP

The Thin Red Line

Modulate	Manipulate
Influence	Instruct
Guide	Govern
Pro-Active	Prescriptive
Advisory	Adversarial
Holistic	Haphazard

Engender Good Behaviour

Endanger with Bad Behaviour

Why is it Beneficial for Debt Advice? – *Doing more with the same*



Image by Katemangostar

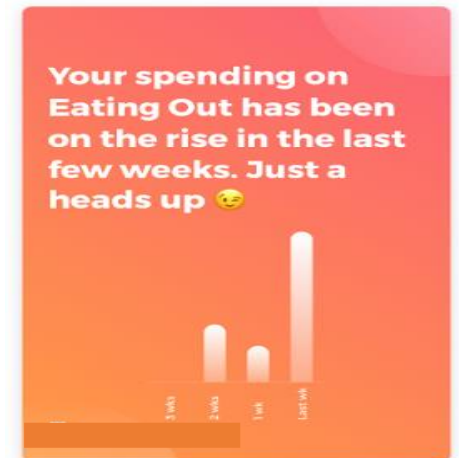
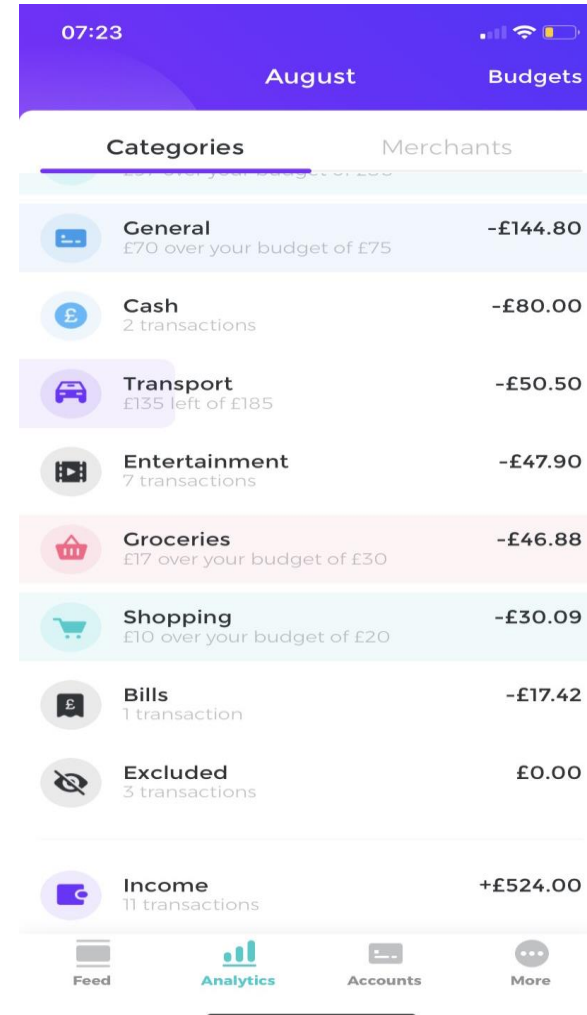
The Grunt Work

- Consumers sign in to use open banking
- They choose a TPP
- The consumer sets a budget
- They connect their bank account to the TPP
- All transaction data is populated into the budget in milliseconds
- The budget provides actual over a set period of time, eg 6 to 36 monthly averages
- The data can then be discussed with the consumer
- Spending patterns can be evident
- Using apps thereafter can help the consumer manage their spends

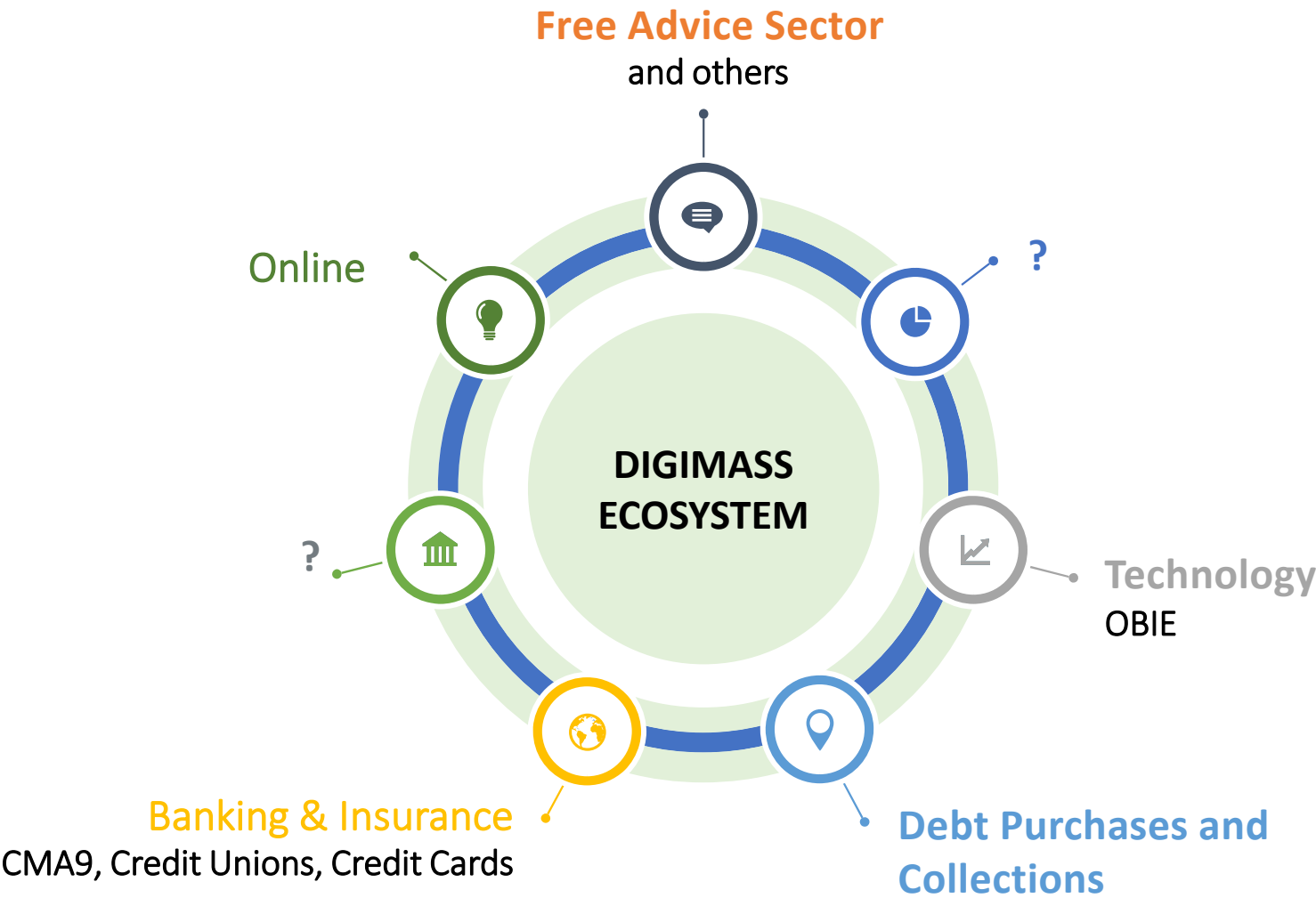
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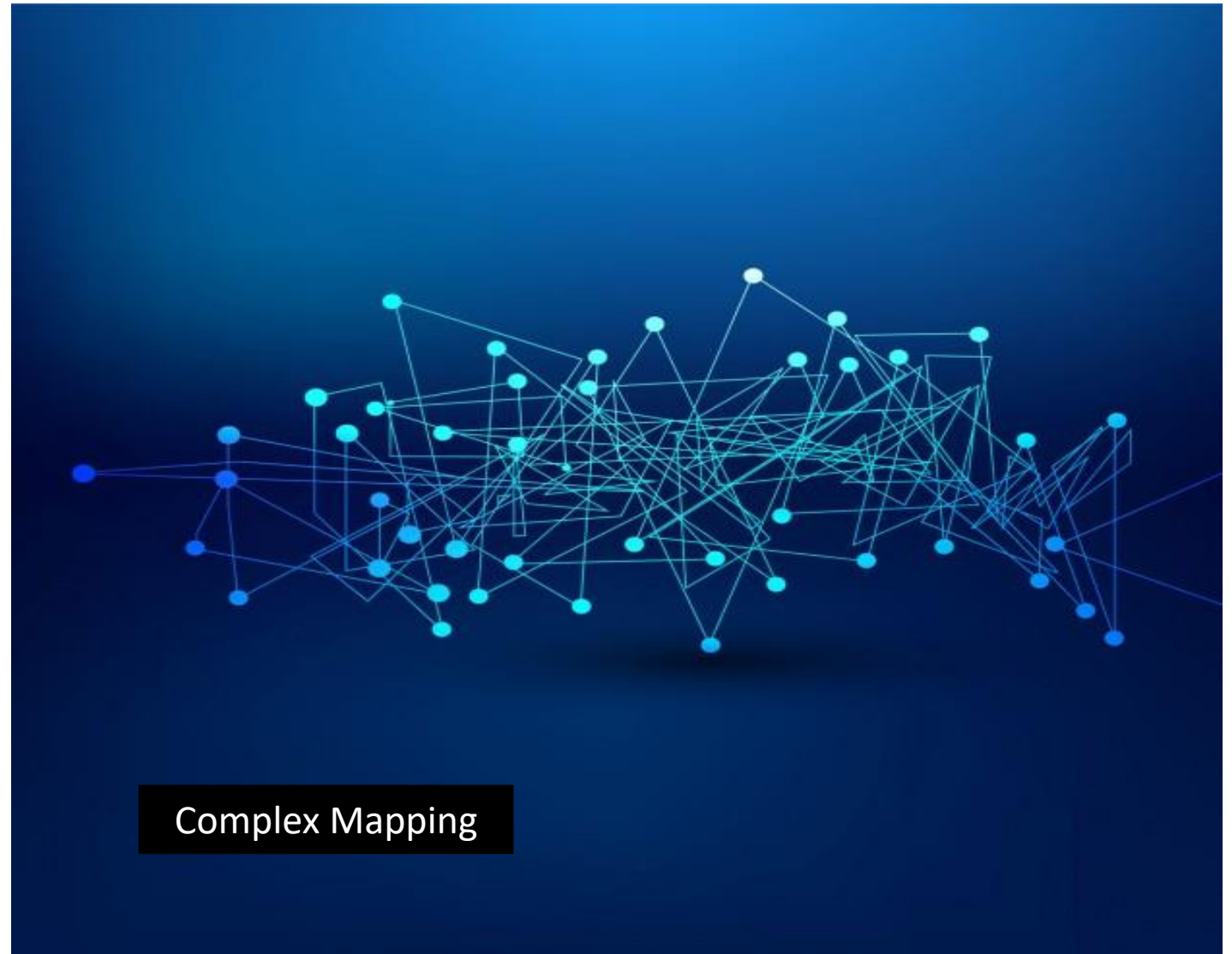
Creating an Ecosystem



Mapping an Ecosystem

DIGIMASS mapping has already confirmed that membership is in the thousands.

- Consumers across the UK have multiple relationships
- Consumers can and do change suppliers depending on price point



Making a Difference to Consumers

- Education
- Advice
- Intervention
- Prevention
- Control
- Personal planning
- Personal benefit
- Behaviour modification





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SEASON 4

SEASON ENDS: 67 Days

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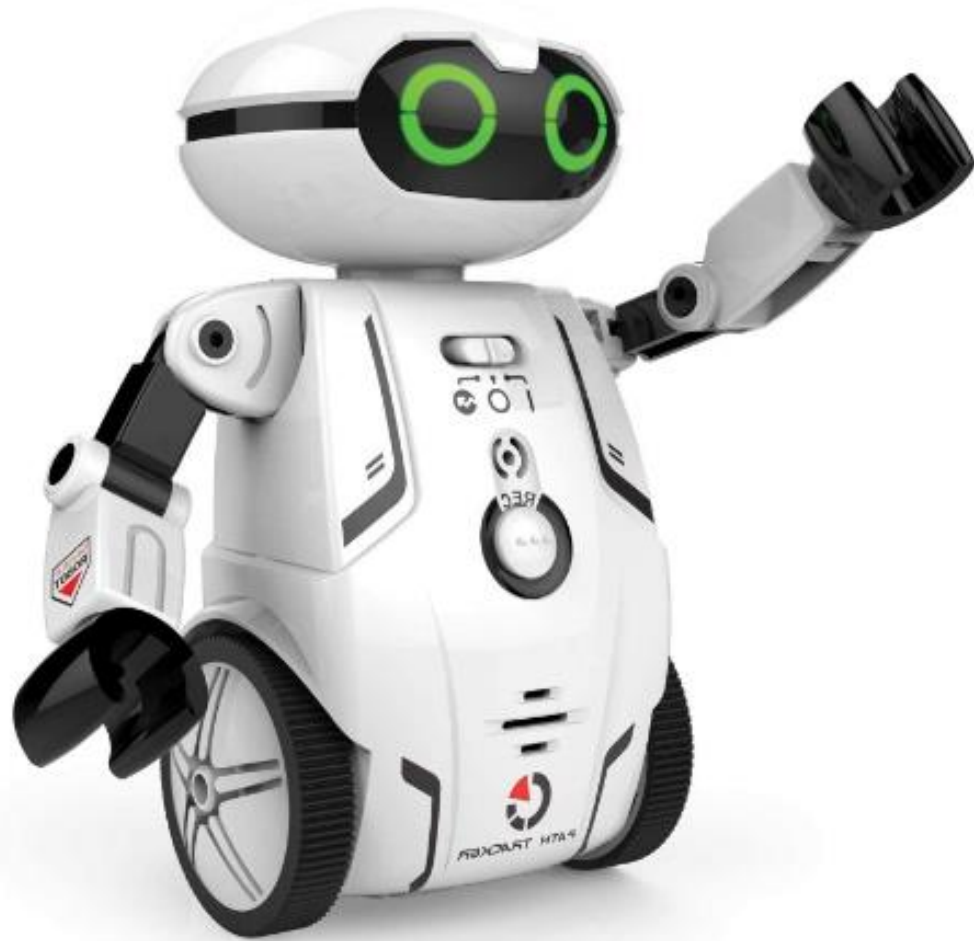


EMOTE

HYPE

Get hyped.

e applied to the next tier.















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