

# Minutes

## Wholesale Distribution Steering Group (WDSG)

25 June 2019

---

Location: **Bank of England, Threadneedle St, London EC2R 8AH (Room 1X)**

Attendees: **Bank of England:** Sarah John (Chair), Martin Etheridge, Mark McLintock, Ronan McClintock, Tina Harris, Kirsty Woodgate

**UK Finance:** Eric Leenders, Russell Saunders

**Barclays:** Tim Allen (by phone)

**Lloyds Banking Group:** Richard Hill (alternate)

**Clydesdale/Yorkshire:** Dougie Belmore (by phone)

**HSBC:** David Brook (alternate)

**Royal Bank of Scotland:** Richard Talbot

**Santander:** Robert White

**Post Office:** Russell Hancock (by phone)

**HM Treasury:** Mario Pisani

Apologies: **Lloyds Banking Group:** Otto Benz

**HSBC:** Tom Wood

### Item

#### 1. Introductions

The Chair introduced new members to the group.

#### 2. Agree May 2019 minutes and confirm publication

WDSG members agreed the May 2019 minutes. In line with the Terms of Reference, the minutes will be published on the Bank of England's website.

#### 3. Finalise WDSG Terms of Reference

The Bank of England presented the WDSG Terms of Reference, which had been updated following comments from the May 2019 meeting. Members discussed the membership of the Northern Ireland issuing banks. Members agreed that it was for each entity to decide whether to participate. Acknowledging that the lead consultants would need clarity on the scope of work, members agreed that there would be merit in further discussion with the issuing banks before finalising the Terms of Reference, with a decision on scope and representation in Northern Ireland to be confirmed at the next WDSG meeting (24 July). With this caveat, the Terms of Reference were agreed.

The Chair sought views on publishing the WDSG Terms of Reference. Members agreed that the transparency of the group's work would be enhanced through publication, therefore the Terms of Reference should be published on the Bank of England's website.

#### **Finalise success criteria**

4.

The Bank of England presented the WDSG success criteria, which had been updated following comments from the May 2019 meeting. Members agreed that the differing levels of current authentication between notes and coin meant that an additional, separate, success criterion should be included for the authentication of coin. With this addition the success criteria were agreed and base-lined.

The Chair sought views on publishing the WDSG success criteria. Members agreed that success criteria would need to be published in due course. However, they should not be published at this stage, as:

- This preliminary set was very high-level, and more work would be required to define them further;
- This preliminary set was primarily to provide initial direction and guidance to the lead consultants;
- The strategic objective of ensuring an effective, resilient and sustainable model was already set out in the Terms of Reference.

#### **Update from UK Finance**

5.

UK Finance confirmed they have selected their preferred consultancy and legal team and they were currently on boarding these two organisations. They expected work with the lead consultant to begin in earnest in the coming weeks. They thanked the banks for their work so far in getting to this stage, and asked them to ensure they had resource available to work with the consultants once they had been formally appointed.

#### **Review actions from May 2019 meeting**

6.

Actions were discussed.

#### **Next steps**

7.

UK Finance would appoint the consultants and legal advisors and commence the detailed planning for the project. Members agreed that where it was considered it would be beneficial to the WDSG discussions, the consultants, and any other relevant party, would be invited to present to future WDSG meetings.

The Bank of England will have regular bi-laterals with WDSG members between WDSG meetings.