

BOCC Minutes – Tuesday 7th April

TO: Business & Operational Continuity Committee
Incident Management Communications Group (for info)

Please find below a summary of Tuesday's (7th April) Business and Operational Resilience Continuity Committee (BOCC) call. My apologies for the time it has taken to distribute this summary, however I fell ill shortly after our call.

Please note that several actions are listed below.

The agenda of the meeting was:

- To facilitate members discussion regarding their current operating stance, highlighting any issues or challenges impeding service provision;
- Discuss with members the forthcoming Cross Markets Business Continuity Group (CMBCG) meeting and agenda, noting the work that is being done with regards to the Voluntary Suspension of Sterling Payments (VSSP) protocol and shortened settlement day;
- Discuss with members their current approach to their provision of PPE to staff
- Share with members advice we have received regarding the use of wet signatures
- Update members of the advice regarding Scotland and key workers .

1. **Members operating stance and impact of service provision:** Members reported very high rates of WFH amongst nearly all staff, with the exception of those in branches and call centres. With respect to call centres, there is a disparity between large and small firms, with many small firms having already moved to WFH for most staff. Part of this can be attributed to many small firms relying on outsource providers to fulfil these functions, and also lower call volumes leading to different risk assessment outcomes. For large firms with more staff to support, reputational risk in the event that the WFH roll-out encounters problems is more acute and there has been a caution of rolling out full WFH at this time. Regardless, firms who have not yet moved staff to WFH operations were aggressively doing so via large IT infrastructure roll-out programmes. There is an expectation that industry will shortly be able to report that that most call centre staff will be on a WFH footing.

In terms of branch staff, members reported that they were continuing to assess footfall and customer service requirements. In some instances branches that are being under-utilised are being closed and staff redeployed elsewhere to ensure that there is at least some coverage in any one geographic area. An exception to this is the Post-Office, who reported they as direct and franchisee staff are coming out of self-isolation, more branches are being reopened, albeit on reduced operating hours.

2. **CMBCG:** I updated members on the agenda of the **Cross-Market Business Continuity Group (CMBCG)**, which is now meeting every two weeks, with the next meeting scheduled for 7th April to discuss members' operating stance and, impediments to service provision. Members were advised that BoE has asked UKF and members to review the

Voluntary Suspension of Sterling Payments (VSSP) protocol, a market-wide agreement to voluntarily postpone GBP settlement for at least one business day in response to a sector-wide operational disruption. Its aim is to provide certainty to the market, and is a tool for the sector to use if deemed necessary. The VSSP has never been required, and with its invocation having unclear consequences, UKF is now working with members to understand the legal, operational and governance implications should the situation markedly deteriorate.

Update: UKF Finance reported to CMBCG and our recommendation that further work on the operational and legal implications of a VSSP was required. We will therefore establish a legal working group, working with associate members, and a operational working group to consider these issues. **ACTION:** We will approach the existing the VSSP initially to staff those groups, however if members would like to participate please get in contact (please note, membership of this group will be restricted to persons with knowledge and experience of these issues)

The BoE asked UKF to act in a coordination role for discussions on firm planning for a phased return to BAU operations. The BoE specifically asked industry to consider what potential triggers or benchmarks should be taken into account. This will help the authorities understand what triggers firms have identified that would start this process and then support subsequent phases of activity. This issue was also discussed on the BOCC, however members reported that their thinking was only in its infancy. **ACTION:** We will add this to the agenda of the next BOCC. I would ask that members consider this over the next few days and be prepared to discuss their own (initial) views on factors we may wish to consider

Members flagged the ability of systems to handle zero or negative base rates, but we didn't get a chance to discuss further. We'd like to encourage industry response and coordination on this – shall we direct interested firms to UKF in the readout as a starting point? The Bank could feasibly collate, but I worry firms would be less inclined to share with the 'regulator' on the subject.

3. **PPE:** Member reported that they were receiving growing queries from staff as to the provision of PPE, particularly from those working in branches. The majority firms reported that they were not providing PPE as most staff were WFH, however it was conceivable that as lock-downs are lifted and footfall at branches and offices increases, these assessments may change. One firm reported that they were providing PPE to data centre staff to be used in the event that there was a confirmed case at the site. Of more significance, one international wholesale member with its head office located in Europe advised that as their head office was now supplying PPE, they were going to as well. It is conceivable that with national governments taking differing approaches to the efficacy of PPE, members headquartered in those locations may adopt group wide policies aligned to their home jurisdiction. We may accordingly see a number of firms here in the UK rolling out PPE to their staff.

A number of firms advised that they were donating stocks of PPE to front-line healthcare or emergency services staff. I reported the action from the UK Finance Board meeting to work with liaise with members as they roll-out these programmes. Can members who are donating PPE please forward the contact details of the persons within their firm who are doing so asap please.

4. **Wet Signatures:** I reported to members that UKF had received advice from Clifford Chance as to the use of wet signatures. I have attached that advice for your information. For England and Wales (see page 4), it is generally possible to use an electronic signature even for a deed (the note doesn't cover Scotland or Northern Ireland). One exception they identify is for documents required to be submitted to the Land Registry. **ACTION:** Members for whom this is an issue are asked to consider the attachment and provide any examples where this remains an issue for resolution.

5. **Key workers:** I reported to members that we had continued to engage with the Scottish authorities and our partners to resolve the issue of whether financial sector workers were considered key workers for the purposes of education provision. By way of update, this situation has been resolved, and we have updated our guidance to specific the relevant pieces of guidance and information. We have also updated our guidance to reflect HMG's latest social distancing guidance in the work place. I have attached that note for your information.