



Retail Banking Market Investigation

CMA's Supplemental notice of possible remedies, 7 March 2016

Response on behalf of Barclays Bank PLC

24 March 2016

[✂]

1. **Introduction**

1.1 This submission is made on behalf of Barclays in response to the CMA's supplemental notice of possible remedies dated 7 March 2016. Barclays welcomes the opportunity to comment on the CMA's proposals.

1.1 Notwithstanding Barclays' views on the CMA's provisional findings ("**Provisional Findings**")¹, as stated previously,² it generally supports initiatives that will increase transparency, give customers more control, and help them in making informed decisions.

1.2 Barclays considers that, where practical, remedies should be tested prior to adoption. Implementation should take into account the appropriate duration of any remedies, and appropriate flexibility should be built in to ensure that remedies can be adapted to ensure they achieve the desired outcomes. This is particularly important to ensure that any adverse unintended consequences are limited.

1.3 Barclays provides comments below relating to each of the proposed overdraft remedies (Overdraft Remedies 1-4). Barclays also provides further comments on the sufficiency of analysis underpinning the proposed overdraft remedies and the lack of links to the CMA's findings with regard to any potential adverse effects on competition ("AECs").

2. **How the switching package helps overdraft users and how it could be enhanced further**

2.1 Barclays is supportive of measures that give customers increased transparency and control and help them make informed decisions both for overdraft and non-overdraft users. However, Barclays makes the following observations with regard to the proposed enhancements to the switching package:

- (a) As noted in its response to the possible remedies³, Barclays does not support contacting customers with a switching message as a result of authorised overdraft usage. Customers apply for an overdraft with their provider because they want to have this facility. It would contradict the wishes of customers to contact them every time they use a facility they have requested.

¹ Barclays does not consider that the CMA has presented sufficient evidence to support findings of adverse effects on competition ("AECs") or that the AECs have been adequately defined so as to enable a proper assessment of the likely effectiveness and proportionality of the remedies or supplemental remedies proposed, see Barclays' response to the CMA's notice of Provisional Findings, 20 November 2015.

² Please see Barclays' response to the CMA's notice of possible remedies, 22 October 2015.

³ See Paragraph 2.2 of Barclays' response to the CMA's notice of possible remedies, 22 October 2015.

- (b) In addition, contacting consumers each time there is an actual or imminent imposition of overdraft charges would involve a considerable degree of contact. This risks bombarding customers and diluting the impact of prompts.
- (c) As noted below in relation to Overdraft Remedy 1, Barclays counsels the CMA to avoid being overly prescriptive in defining set language and phrasing, and rather set the principles and framework for communication, enabling individual providers to implement in the most appropriate way for customers.
- (d) As Barclays has stated previously⁴, it maintains that, for customers for whom the availability of an overdraft is a key consideration in the switching decision, gaining certainty of the size and availability of an overdraft will be of utmost importance to the customer rather than an indicative view. Indeed, Barclays can provide customers with certainty of the size and availability of an arranged overdraft ahead of a customer deciding to switch and close their old account.

3. **Overdraft Remedy 1: Prompts and alerts to inform customers of imminent and actual overdraft usage and charges**

- 3.1 In responding to Overdraft Remedy 1, Barclays draws on its experience relating to customer alerts [3<].
- 3.2 As an overarching principle, Barclays considers that the CMA should set broad parameters and outcomes it wishes providers to achieve through alerts, and allow them flexibility to implement in their own way. This would enable providers to differentiate, innovate and adapt to new technologies and changes in customer behaviour. The CMA could assess providers' efficacy in achieving the desired outcomes via the proposed overdraft KPIs⁵. Barclays does not consider that prescribing standard SMS or communication mediums will resonate with customers or future-proof the Remedy.
- 3.3 Barclays introduced the ability for customers to choose to receive alerts several years ago (including in relation to large debit, credit and weekly balances) and has increasingly used alerts to communicate with customers. As part of the redesign of its overdraft proposition in 2014, Barclays added to the range of messages available, including alerts to help customers avoid daily fees, as well as financial assistance alerts advising customers if Barclays notices that they are incurring regular borrowing.
- 3.4 Barclays has auto-enrolled customers for SMS alerts in two areas:
 - (a) 'Pay/No Pay' alerts (for all customers for whom it holds a mobile phone number) – a version of the CMA's proposed declined item alert. [3<]

⁴ [3<]

⁵ See comments on the proposed overdraft KPIs in section 7, below.

- (b) Overdraft alerts (for customers who had already signed up to one of the existing alerts at the time of changes to Barclays' overdraft proposition). [REDACTED]
- 3.5 Currently around [REDACTED] customers are registered for the 'Pay/No Pay' alerts. Around [REDACTED] of customers take action following receipt of a 'Pay/No Pay' alert [REDACTED]. Barclays has only seen [REDACTED] of customers de-register from the service where they have been auto-enrolled.
- 3.6 [REDACTED]
- 3.7 In both instances, the transparency afforded to the customer combined with the opportunity to take action to avoid charges, provides control for customers which is evident in the changes in customer behaviour referred to above.
- 3.8 [REDACTED]
- 3.9 On the basis of [REDACTED] its experience, Barclays makes the following key points:
- (a) It is critical that alerts have impact in order for the Overdraft Remedy to be effective⁶.
- (b) The CMA has proposed that customer testing of the proposed supplemental remedies may be necessary⁷. Barclays considers that this is important in ensuring that any alerts proposals resonate with customers and are not overwhelming⁸, and do not therefore lose impact⁹. The overdraft alerts should be tested alongside the proposed switching prompting remedy (Remedy 1), as in reality the two would operate together. It would also be in customers' interests to test messages alongside other communications from the bank such as fraud alerts, which may be regarded by customers as more important/urgent than fees and charges. The results of such testing should inform the way Overdraft Remedy 1 is implemented. Saturation of email is a key reason why email is no longer an effective channel for delivering urgent messages; Barclays wishes to ensure that SMS or other channels are not regarded by customers in the same way.
- (c) There should be a select suite of communications. As mentioned above, the CMA should test the hierarchy of the messages as it is likely that some will be seen as more urgent than others. For example, alerting customers that they are using an arranged overdraft could be less important than the same message for an unarranged overdraft.

⁶ See comments in paragraph 3.2, above.

⁷ Supplemental notice of possible remedies, 7 March 2016, paragraph 169.

⁸ This is supported by the findings of the Optimisa Qualitative Research. Please refer to Barclays' separate submission on the findings of the customer research.

⁹ Please see Barclays' comments made at the CMA's Roundtable held on 1 December 2016 (Transcript, page 6).

- 3.10 As mentioned above, Barclays submits that the form and content of any possible alerts should remain flexible to adaptation rather than prescribed. Barclays also encourages the CMA to consider the following more specific comments:
- (a) Customisation of alerts is important, but it must be simple for customers to use/understand. Barclays would suggest broad categories of alerts for customers to choose from, rather than a library of message types and media.
 - (b) Rather than specifying the medium that should be used to deliver alerts, it would be preferable for the CMA instead to set characteristics which providers can deploy in their own way, so retaining flexibility for customers and a point of differentiation. Characteristics might include a stipulation that the alerts must be timely, relevant and include a clear customer-centric call to action.
 - (c) Calls to action should include information on how to avoid a charge. Specific content could be a point of differentiation. [§<] Providers should be given flexibility to include calls to action which reflect individual customer circumstances and any enhanced technical capabilities.
 - (d) Customers should only receive one communication for each new 'topic' rather than repeatedly receiving the same message or slight variant.
 - (e) Language should be simple, factual and non-judgemental. The CMA's "high charge" wording is subjective. This could be viewed by customers as judgemental, and may not achieve the desired objective.
 - (f) Alerts should be reserved for timely communications requiring immediate action. Merging urgent alerts with account information risks diluting their impact. Where customers incur excessive borrowing, providers should make contact with the customer, but as a point of competitive differentiation, they should be free to decide how to do this. As a point of principle, customers should be able to see their overdraft fees at any time.
 - (g) While the messages proposed by the CMA appear appropriate, non-secure methods of communication such as email should not contain sensitive information. [§<]
 - (h) Barclays considers that there can be considerable customer benefit in auto-enrolment for a limited range of alerts. The CMA should be aware of legal considerations including: ensuring that providers' terms and conditions allow them to collect and use contact data for this purpose; data protection laws on unauthorised disclosure or processing of customer data; and providers' duty of confidentiality to customers. These risks would arise from sending alerts to mobile phone numbers which have not been authorised for this purpose¹⁰. It is

¹⁰ For example, if a customer is abroad and borrows a friend's mobile to call their bank and gives this number to the bank for a call back in relation to the problem, if the customer is subsequently auto-enrolled for alerts using this contact number mistakenly, these would be sent to the friend's mobile; or if a customer provides a mobile phone number for a particular purpose, not expecting it to be kept for general use and six months

also important to ensure that the upcoming EU General Data Protection Regulation is consistent with the CMA's proposals as further details become clear.

- (i) Providers may seek to collect customer contact data at account opening and on an ongoing basis as part of their business priorities. It is of course the case that not all customers have a mobile phone (for example) or wish to share these contact details with their PCA provider.

3.11 Barclays considers that arranged overdrafts should not be included in 'available funds', and does not currently do this.

4. **Overdraft Remedy 2: Measures to encourage PCA customers to make an informed choice on their overdraft options**

4.1 In relation to unarranged overdrafts in general, and in order to provide context to this and other proposed remedies, Barclays makes the following observations:

- (a) As stated previously¹¹, Barclays does not provide an unarranged overdraft or any other form of unarranged borrowing facility. In addition to a core overdraft facility Barclays offers customers the ability to opt into an additional, pre-agreed Emergency Borrowing facility with a transparent fee structure. A customer is then unable to extend beyond that pre-agreed limit (except in those few instances referenced in paragraph 5.5 below and with the benefit of the buffer zone).
- (b) In Barclays' view unpaid events and the associated fees do not constitute unarranged borrowing as a lending facility is not being extended to the customer. In fact, Emergency Borrowing seeks to prevent customers from further extending their indebtedness. Barclays no longer charges paid transaction fees.

4.2 Barclays makes the following further observations in relation to Overdraft Remedy 2:

- (a) Barclays is supportive of giving customers the ability to opt into and out of overdraft facilities, whether arranged or unarranged. As explained previously¹², Barclays communicates its overdraft proposition to new customers during account opening (as part of a needs-based conversation), with customers able to apply for and opt into both a core overdraft as well as Emergency Borrowing should they wish.
- (b) For existing customers, Barclays performed an extensive programme of customer communication as part of the introduction of its new overdraft

later, he buys a new phone and gives his old one to his mother, the bank auto-enrols the old number and the mother would start to receive her son's alerts.

¹¹ [redacted]

¹² [redacted]

proposition in June 2014. This included notifying customers of their Emergency Borrowing limits. [X]

- (c) Communicating on an annual basis seems appropriate if this is a service that customers have chosen to opt into, particularly when considered in conjunction with the provision of overdraft alerts linked to usage which have been shown to materially drive customer awareness of overdraft fees, lead to changes to customer behaviour¹³ and will likely provide an effective prompt for customers to consider opting out.
- (d) Whilst Barclays recognises some value in outlining the principles of what such communications should contain, it would counsel away from prescribing set text across the industry in order to ensure key messages are most appropriately positioned and constructed within each provider's existing communications in order to gain maximum impact with customers.
- (e) Barclays also highlights that it does not differentiate the level of rewards or account fees between those customers that opt into Emergency Borrowing and those that do not.

4.3 In relation to differentiating the treatment for different types of payments and potentially giving customers the ability to opt-in and opt-out for different forms of payment:

- (a) Barclays cautions against a proposal that would add undue complexity for customers according to different payment types, which for many could be quite arbitrary. For example, direct debits, continuous payment authorities on a card as well as one-time payments via Faster Payments Service or card can all be used in materially different ways by different groups of customers (and could all be used to pay, for example, a utility bill).
- (b) Barclays recognises that there are limited examples of instances where a debit card transaction can be authorised that results in a customer exceeding their agreed limit, albeit without incurring additional charges following the removal of paid transaction fees. Therefore, whilst debit cards that prevent offline authorisations will continue to be a feature of Barclays' proposition and the appropriate solution for some customers, Barclays suggests this should not be an automatic requirement of opting out of an unarranged overdraft. As a comparator, customers who today choose not to opt into Emergency Borrowing are not automatically migrated to a debit card that prevents offline authorisations.
- (c) Equally, the processing of a cheque that will take a customer into a position beyond their limit will be captured by the Pay/No Pay process and the retry period covered within Overdraft Remedy 3. Hence, a customer who has opted out of unauthorised borrowing can be alerted that a cheque drawn on the

¹³ [X]

account is attempting to be cashed which would take them beyond their limit and that they have a window up until a time later in the day in order to pay in funds to prevent an unpaid event.

5. **Overdraft Remedy 3: Suspension periods for unarranged overdrafts**

5.1 Barclays is supportive of the concept of retry and grace periods, specifically when they are combined with a suite of alerts (as discussed in relation to Overdraft Remedy 1). In Barclays' opinion it is the combination of the timeliness of an alert with clear articulation of potential fees, together with a call to action and the ability (grace period) for a customer to take steps to avoid those charges, that makes this Overdraft Remedy effective. It is this principle that underpins Barclays' overdraft proposition. [X]

Retry Periods

5.2 Barclays would be supportive of extending the current voluntary retry agreement across the market. There are a number of technical and systems limitations to significantly extending the deadline associated with the retry process (not least the requirement to re-run the internal Pay/No Pay process and transfer funds to third parties' accounts ahead of end-of-day banking runs at other PCA providers). That said, Barclays has extended the voluntary deadline of 2 pm and offers customers the ability to pay in funds up to 3 pm in order to avoid an unpaid event, and considers that the definition of these periods should be left to each provider, as a parameter on which they may compete and differentiate their respective offerings.¹⁴.

Grace Periods

5.3 Barclays communicates grace periods for customers entering both the tiers of their core overdraft and Emergency Borrowing facility, in all instances with a cut-off time to pay funds into the account of 6.30 pm (beyond the bank's 3pm cut-off for the second Pay/No Pay run)¹⁵. The determination of an appropriate cut-off time for a grace period needs to balance providing customers with as much opportunity as possible to take action following receipt of an alert taking into account the system and technical obligations of performing the end of day banking processes that calculate charges and end-of-day balances. Equally, Barclays agrees with the CMA's assertion that, in considering the behavioural economics drivers, a longer grace period may not necessarily be better for customers and hence maintaining an intra-day cut-off provides the appropriate balance of the factors above. Extending beyond this period does not seem proportionate in terms of additional cost and IT infrastructure, since there is little evidence of additional consumer benefit.

5.4 As highlighted in the response to Overdraft Remedy 1, Barclays suggests that, to the extent that the CMA would want to provide guidance on the content of the customer communications related to retry and grace periods, this should be principles based

¹⁴ [X]

¹⁵ [X]

requiring clarity on the level of pending charges and the actions a customer needs to take to avoid them, rather than seeking to mandate specific set phrases. Furthermore, if the CMA is minded to seek common terminology across providers, Barclays suggests it would be helpful to do so in concert with the requirements for common terminology contained within the Payments Account Directive.

Buffer Zones

- 5.5 The CMA suggests that buffer zones could be utilised as an alternative to grace periods as a means of overcoming unanticipated fees and charges. In Barclays' opinion, buffer zones and grace periods address differing customer behaviours and scenarios. The buffer zones are designed to support instances where customers exceed a limit by just a few pounds, possibly resulting from a customer miscalculation, hence the buffer zones are set at £15. And in instances where a customer exceeds all agreed borrowing, the role of the buffer zone is to aid the customer to avoid an unpaid event, for example, if a customer makes a payment which takes them £9 over their Emergency Borrowing limit, Barclays will still make the payment and will not charge them an unpaid item fee.
- 5.6 Grace periods (according to the CMA's definition) alongside an alert to the customer provide visibility of imminent fees and a window to customers to help avoid those fees, regardless of the amount by which a customer limit is exceeded.
- 5.7 Hence, within the design of its overdraft proposition, Barclays has incorporated both a number of buffer zones, as well as retry and grace periods, giving customers a range of opportunities to avoid charges.
6. **Overdraft Remedy 4: A monthly maximum charge for using an unarranged overdraft**
- 6.1 As stated above, Barclays does not offer unarranged borrowing. Barclays would also suggest that unpaid item fees do not represent the extension of a lending facility to customers.
- 6.2 In relation to the proposed remedy requiring providers to publish a Maximum Monthly Charge ("MMC"), Barclays re-iterates a number of observations made in previous responses:
- (a) According to the CMA's research¹⁶, customers' usage of their overdraft varies from one person to the next. Therefore, providing a MMC to consumers that in all likelihood has no bearing on how they actually use their overdraft facility would be of limited relevance.
 - (b) In addition to transparent daily fees that make it very simple for customers to calculate the cost of utilising their overdraft for several days in a month,

¹⁶ See CMA's research into actual and perceived behaviour of personal current account customers, Appendix 7.4 to the CMA's provisional findings report.

Barclays also provides an overdraft calculator on its website. This tool allows customers to calculate their predicted costs based on a usage profile which is more reflective of their personal behaviour and how they actually use their account, their core overdraft and Emergency Borrowing. The calculator also enables them to calculate the theoretical maximum cost in a month, if so desired.

- 6.3 Barclays also draws the CMA's attention to the industry agreed standard customer profiles and associated overdraft charges that are published on bank websites to provide comparison of fees for a set of typical customer usage profiles.
- 6.4 Barclays does not, however, consider that any form of intervention through price controls would be justified (including a regulated upper limit to MMCs):
- (a) An MMC could result in a focal price which has the unintended consequence of reducing competition. An MMC could also result in relatively heavy overdraft users being cross-subsidised by relatively light/ infrequent overdraft users.
 - (b) The setting of fees and charges, alongside the broader aspects of an overdraft proposition (alerts, grace periods, and transparent fee structures) should remain flexible and provide the opportunity for differentiation and competition between providers.
- 6.5 Barclays makes the following further observations regarding MMCs:
- (a) [X]
 - (b) In addition, Barclays' overdraft proposition includes a number of features that seek to cap fees and reduce costs for the customer, which are set out below. Please note that these relate to exceeding agreed overdraft limits (including Emergency Borrowing) rather than unarranged fees:
 - (i) Daily cap on unpaid item fees: As part of the strategic review of its overdraft proposition, Barclays has changed the maximum number of unpaid fees charged to the customer in a single day from five to one.
 - (ii) Control Feature: For a monthly cost of £8 (the equivalent cost of a single unpaid fee), if a customer experiences any number of unpaid events they will not incur any unpaid item fee. This feature can be simply switched on and off as the customer wishes.
 - (c) If the CMA were minded to require providers to communicate MMCs, Barclays suggests that basing the cumulative charge on a monthly time period would be appropriate. Equally, each provider should be able to set and communicate differing MMCs aligned to different PCA propositions such that customers are aware of the MMC relevant to their specific product/proposition. Barclays also suggests (for the reasons outlined above) that an MMC should not include unpaid item fees.

7. **Publication of KPIs**

7.1 Barclays previously agreed with the CMA that service quality comparisons would be an effective remedy. Barclays suggested that a single measure is unlikely to be meaningful and advocated selecting a small range of measures by which customers could choose to rank providers¹⁷. These could include a survey measure but also data points (such as functionality). Barclays recommended that customers should be able to see results based on customers 'like them'. Barclays cautioned against the use of complaints data as this places all focus on the negative, varies by provider, and is considerably impacted by transaction volume, which may provide a greatly distorted picture (a bank whose customers transact more might receive a higher volume of complaints, yet the comparison may not be on a like for like basis with other providers, or on the basis of customers who transact differently). Barclays reiterates these comments in response to the present Overdraft Remedy.

7.2 Barclays also wishes to make the following points:

- (a) The focus on overdraft customers should be delivered as part of the CMA's proposed remedies (Remedy 5) so that it is consistent for customers. Introducing different metrics conducted differently and housed in different places would be confusing and less likely to be effective.
- (b) The metrics should be published in the same way as Remedy 5, ideally by an independent organisation. This should help to monitor the accuracy of the figures, in addition to a review by providers beforehand to highlight any nuances that may not be obvious to the independent organisation.
- (c) The results of overdraft customers should be available separately within service quality data so they can be easily compared (e.g. filtering on a comparison site). While it may be technically possible and analytically helpful to separate out the views of 'heavy' overdraft customers from other overdraft users, this adds complexity and so may be difficult for customers to navigate.
- (d) Providers should also provide information on the types of services they offer overdraft customers (for example, alerts, grace periods, financial planning tools and calculators) and policies relating to overdraft usage.
- (e) Measuring the effectiveness of these services may be complicated. It could be achievable through survey work. Barclays would encourage the CMA to do this as part of Remedy 5, or alternatively to consider existing approaches such as those used by the Fairbanking Foundation (which uses customer survey analysis to determine whether a provider should be awarded a Fairbanking Mark).

¹⁷ See Barclays' response to the CMA's notice of possible remedies (20 November 2015), Remedy 5.

- (f) Barclays does not consider that it is helpful to customers for providers to make available information about customers' level of overdraft usage on an aggregate basis. The suggestion assumes that overdraft usage is to be discouraged but it can be a useful facility for a range of customers. Overdraft usage figures are likely to say more about the type of customers a provider has, than the quality of that provider's overdraft offering.
- (g) Barclays does not consider that it is necessary at this stage to set targets for KPIs. It would be more proportionate to give the market the opportunity to respond before the setting of targets is considered further.

8. Remedies as a package

8.1 As previously stated, Barclays is generally supportive of measures that increase transparency, give customers more control, and help them in making informed decisions with an ability to take action. Indeed, a number of the proposed Overdraft Remedies have parallels to the changes implemented by Barclays as part of its new overdraft proposition.

8.2 However, Barclays highlights the following points in relation to the supplemental Overdraft Remedies and the lack of links to any possible AECs:

- (a) Low competitive pressure: The CMA refers to the low competitive pressures on overdrafts but provides no analysis of competition in the arranged and unarranged overdrafts segments. Overdrafts are a form of liquidity buffer or short-term borrowing which may be substituted by other forms of short-term borrowing. The substitute product would depend on whether the overdraft is an immediate requirement to tide the consumer over until the next month or if it is used to finance a substantial purchase. As the CMA has not conducted a survey of how consumers use overdrafts, however, there is limited information on which to base any competitive analysis. Without such analysis, it is not possible to reach any conclusions about an efficient level of price and consumption for overdrafts and unarranged overdrafts.
- (b) Inability to compare overdraft charges across providers: The CMA considers that charging structures are complex and difficult for consumers to understand and compare across banks. Whilst Barclays would be in favour of information and/or applications that improve the ease of product and cost comparisons, Barclays would caution against obliging banks to harmonise charging structures (see also Barclays' comments on Overdraft Remedy 4, above). The variety of charging structures may promote competition by providing different models that consumers can choose from depending on their pattern of overdraft use and preferences.
- (c) Uncertainty regarding overdraft eligibility and switching: The CMA considers that uncertainty about a customer's eligibility for an overdraft may be a barrier to switching. As Barclays (and many other providers of PCAs) have stated,

certainty of an overdraft can be provided to customers before they make the decision to switch and close their old account.

- (d) Unintentional use of unarranged overdrafts: The CMA's perspective is that customers who unintentionally used unarranged overdrafts incurred large charges. However, there is no analysis on the ratio of customers that are in this position, the amounts and charges involved and relative frequency with which some customers incur such charges. Barclays also has concerns relating to the methodology and accuracy of the research used by the CMA to support its views regarding unintentional use of unarranged overdrafts¹⁸.
- (e) Protection of vulnerable customers: the CMA states that it is mindful to protect users in vulnerable circumstances but there does not appear to be any analysis or definition of the customers which would fall into this category.

8.3 A number of the Overdraft Remedies may have far-reaching consequences, such as those relating to opt in/out provisions and MMCs, and do not appear to have been researched or analysed to a sufficient extent, making it difficult to determine their potential effects. Without any supporting evidence, it is difficult to determine customer response as well as wider market effects and unintended consequences of the proposed remedies, and therefore testing the effectiveness and efficacy of remedies is of paramount importance.

¹⁸ This is despite the CMA's sensitivity analyses in Appendix 7.4 of the Provisional Findings. As noted by LBG in relation to the CMA's interpretation of the GfK data, the respondents faced no consequences to estimating the complicated calculations incorrectly and may not have made an effort to provide accurate estimations (Provisional Findings, Appendix 7-27). Furthermore, it is still possible that respondents deliberately and systematically understated their overdraft usage to avoid negative judgment. To minimise both of these errors, the CMA could have provided an incentive to encourage accurate responses, as is common in behavioural research. Furthermore, as Barclays has stated in its response to the CMA's working paper on actual versus perceived account usage (paragraph 1.2), the average person has no need to maintain constant knowledge of their banking practices beyond routine, short-term budgeting (Provisional Findings, Appendix 7.4-2). Figure 9 of Appendix 7.4 demonstrates that, according to the GfK survey, customers are relatively well aware of what charges they pay on average for overdrafts, which is more salient and relevant information than how many days on average they were in overdraft or by what amount. The accuracy around overdraft limit reporting provides further evidence that underestimation of actual usage is due to survey biases and not lack of respondent awareness.