

The Interim Working Group (IWG) thank the FCA for taking the time to review the [final report](#) and are pleased that the FCA are supportive of the recommendations. More generally, the IWG are grateful for the FCA's commitment to the reform of governance arrangements in the credit information industry. This support will be vital to encouraging a wide range of stakeholders to subscribe to and participate in the new governance entity (now incorporated as the Credit Information Governance Body – CIGB).

The IWG acknowledge the FCA's suggestions and will ensure these are communicated to and considered by the CIGB staff, particularly regarding the FCA's preferred involvement in CIGB operations.

The IWG wishes to briefly address several of the FCA's comments:

- Supporting positive outcomes with regards to financial inclusion – After significant consultation, the IWG recommended that the CIGB should 1) ensure its decisions regarding remedies and scheme rules account for impacts on financial inclusion and promote good quality data and 2) support industry in their tackling of issues relating to financial inclusion and by exerting its influence on key stakeholders. Accordingly, whilst always striving for good consumer outcomes, the CIGB should avoid overextending beyond its recommended remit, particularly given its existing workload. The IWG believes decisions like publishing good practice, in relation to financial inclusion, should be left for the CIGB Board to consider in the future.
- Reviewing the CIGB's effectiveness – Whilst it is imperative that the CIGB's recommended processes and procedures are kept under review, its first few years will be focussed on operationalisation and on progressing the CIMS remedies. Therefore, it seems unlikely that these reviews could be expedited. The IWG will encourage the CIGB to keep this under consideration and to ensure that the FCA is informed of (and involved) in these processes.
- Engagement on (Memoranda of Understanding) MoUs – The IWG is pleased that the FCA has agreed to regular and appropriate engagement with the CIGB. However, given the organisations competing priorities in its first year and the leanness of the organisation during this time, it seems unlikely the recommended MoUs could be progressed earlier than currently planned. Though, the CIGB should remain open to this possibility and keep the FCA and other regulators abreast of its plans.
- Decision-making safeguards – The IWG support the FCA's emphasis on effective and timely decision-making, but also recognise the need for safeguards to ensure all stakeholder interests are protected. While the IWG has endeavoured to design these safeguards in sufficient detail, the practicalities of these will need to be ironed out and adapted as the CIGB gains experience. Regular reviews of governance policies and safeguards have been recommended and will evaluate efficiency of decision-making.
- Funding model – The IWG agrees with the FCA's preference to be consulted on the implications of the CIGB taking forward industry-led remedies, rather than on just the changing of fees. The CIGB will need to provide clarity in advance on any costs arising from new work undertaken and assurance that these will be shared fairly amongst subscribers. This will help to deliver confidence that the funding model remains transparent and manageable.

- Commercial data – The IWG agree that it would be beneficial to involve the FCA, HMT and other relevant stakeholders in future discussions. Likewise, an in-depth consultation would be required should changes to governance be proposed. The IWG welcomes the FCA's commitment to progressing this issue in the long-term. However, in the short to medium term, the CIGB will need to focus on its core roles of governance and the progression of the CIMS industry-led remedies.

As the IWG winds down, its focus is on setting the CIGB up for success. The Steering Committee on Reciprocity ([SCOR](#)) has also expressed support for this transition and continues to operate in parallel.

Much of the underlying infrastructure for the CIGB has already been established. It has been incorporated as a legal entity and some of the prefunding monies have already been collected. Following a successful interview with the IWG chair and industry representatives, CIGB's independent chair, [Kevin Ludwick](#), has been appointed. Three supporting staff members focussed on management, business operations and legal have also been appointed. Once these staff are in post, their immediate priority will be consulting with industry on and progressing the CIGB's subscriber contracts.

Over the coming weeks, the IWG chair and secretariat will formally transfer their responsibilities to CIGB's staff and extend best wishes to the new CIGB team as they begin the next stage of the transition.