

## **PERSONAL CURRENT ACCOUNT BANKING SERVICES IN NORTHERN IRELAND**

### **CC REQUEST FOR INITIAL SUBMISSION**

Following the reference by the Office of Fair Trading (OFT) to the Competition Commission (CC) of personal current account banking services in Northern Ireland, the CC has written to providers of such services requesting a written submission on the issues listed below. They were also asked to provide a non-sensitive version of submissions for publication on the CC web site.

The CC wrote in similar terms to other interested parties inviting them to make written representations or provide information on any matter relevant to the inquiry.

#### ***Issues***

- a. Market definition;
- b. Whether Northern Ireland has distinct characteristics or circumstances that make it a separate market to, or different to the rest of the United Kingdom;
- c. An outline of the institutional arrangements and supporting systems (such as clearing arrangements) that determine how the market operates, with particular emphasis on how these differ from the arrangements and systems in the rest of the UK, why they differ and any effect on costs;
- d. Barriers to entry to the market as defined; the extent and effect of entry and how this may change over the next few years
- e. The extent of switching by customers between suppliers of personal current accounts (PCAs);
- f. The costs of, or barriers to, switching between suppliers of PCAs;
- g. The extent to which provision of PCAs gives the supplier an advantage in selling other financial products;
- h. Whether competition and profitability should be considered over a wider range of products than PCAs;
- i. Profitability, including return on equity, of (a) the provision of PCAs alone, and (b) all personal financial products and services;
- j. Actual and potential competition and how this may change, if at all, over the next few years; and
- k. Any other issue considered relevant.

5 August 2005