



FSCS SCV Verification

Update to BSA SCV Working Group

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Experian's Role

- Network infrastructure, facilities and associated security credentials for the handling of sensitive personal data already in place for most deposit takers
- Development of a SCV Verification solution
 - Verification of sample SCV files from 01/01/2011 to 31/07/2011
 - Ongoing verification of SCV files from 01/08/2011
 - Processing SCV files in the event of a default
- Development options under evaluation for the delivery of file verification output results and management information



Status of development

- Requirements catalogue – completed and signed off by the FSCS 28/02/2010
- Design phase – functional specifications complete and signed off by the FSCS 20/04/2010
- Build phase in progress and due to complete to schedule
- Registration of Deposit Taking Institutions - In progress
- FSA is a key stakeholder and involved at each stage

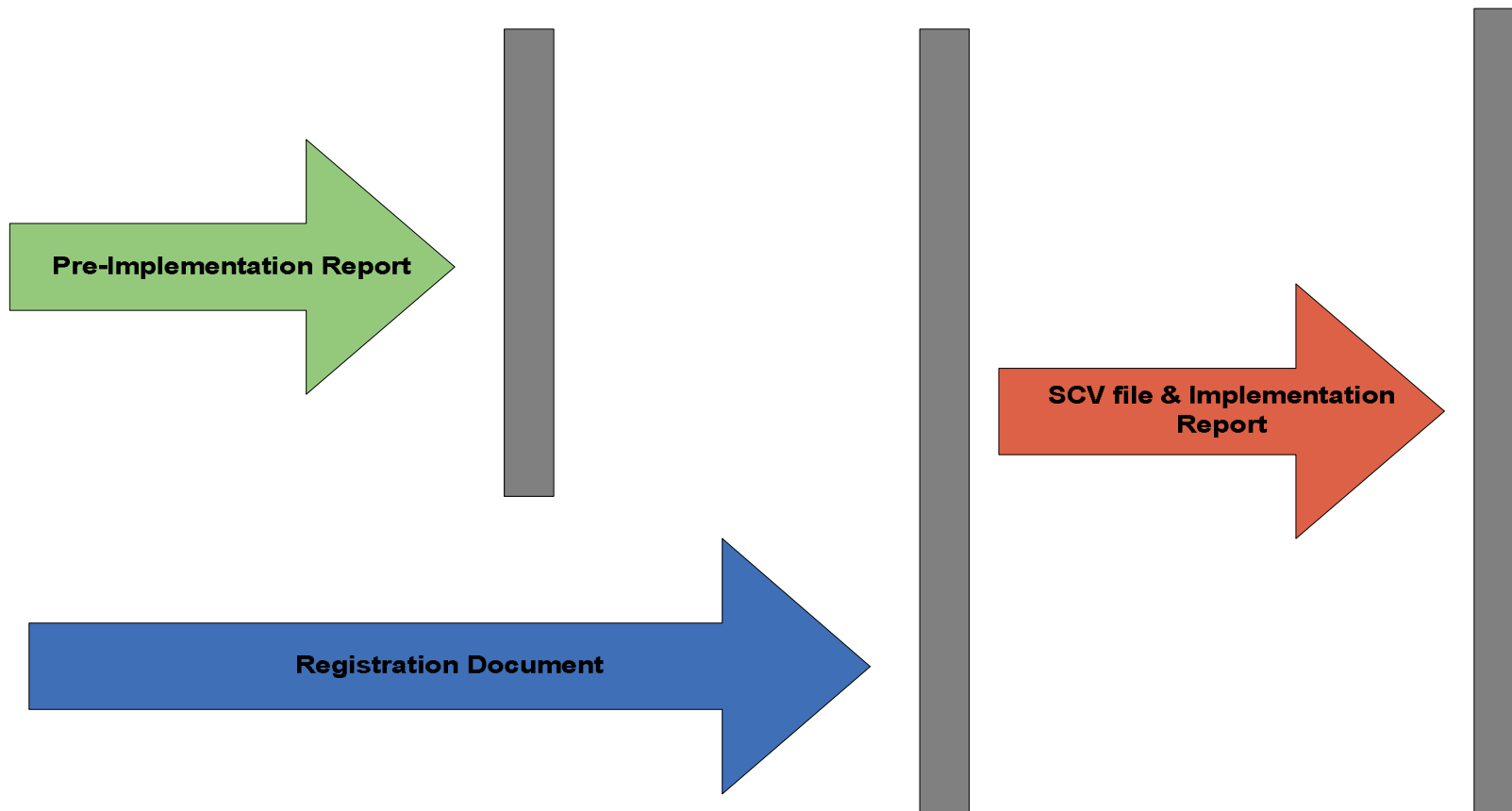


Deposit Taker Milestones

31st July 2010

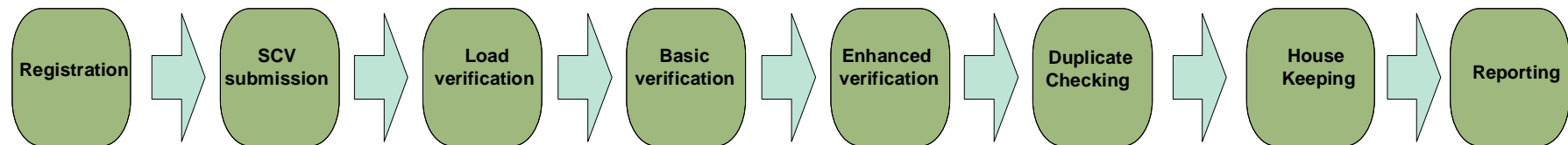
31st December 2010

31st January 2011





Verification process flow





Registration: Stage 1

- The FSCS have issued 'Dear Compliance' letters to the compliance officer at all deposit taking institutions notifying them of Experian's involvement in the SCV verification process
- Experian will provide each firm with a registration document requesting basic setup information
 - Firm Name
 - FSA Registration Number
 - Primary Contact Details
 - Secondary Contact Details
 - FSA Exemption Notification
 - SCV Pilot
 - File Transmission Method
 - Format of File
 - Encryption Method
 - SCV File Contents



Registration: Stage 2

- In accordance with the COMP rules, the deposit taking institutions are required by the FSA to complete both the Pre-Implementation Report, an SCV Report and an Implementation Report which will be shared with FSCS
- As part of the registration information requested we require format detail to support processing including:
 - Field Order
 - File Delimiter
 - Address format
- Following the initial verification the process will be maintained for ongoing verification in support of material changes to Deposit Takers IT processes or at the subsequent request of the FSA or FSCS



Load Verification

- While not specified by the COMP rules FSCS would prefer that:
 - Deposit takers send SCV data in a compressed file using either **winzip** or **pgp** encryption
 - Secure transmission channels that will be open to deposit takers will be **SFTP** or **HTTPS**
- Additionally, FSCS would prefer to receive SCV verification files in one of the following formats:
 - **Character delimited format** - where characters such as pipe, semi colon, back slash, forward slash separate each field.
 - Note: if comma delimiters are used they should not then be used in any fields
 - **Fixed width format** - where fields are aligned in columns with spaces between the fields.
- Ideally both file formats should be provided with txt (text) or csv file extensions
- If deposit takers are unable to provide their SCV files in the above formats, they should provide details of their proposed format in their pre-implementation report
- Files provided in the preferred format can be uploaded and processed automatically all will be acknowledged by Experian via email



Basic Verification

- The next stage of the process is to verify the SCV file against the information supplied on the Implementation reports
 - **Field order** – Deposit takers will be asked for their file field order as part of the registration process. This will be verified against the SCV file supplied
 - **File merger** – SCVs provided in a multiple table format, as defined in the FSCS Faster Payments Q&A document, will be merged to create a single file that is suitable for verification
 - **Number of records** – The number of records supplied on the file will be verified against the number of records defined on the Implementation report
 - **Data formats** – The format of each field will be verified against the expected format as defined in the FSCS Faster Payments Q&A document
 - **No data present** – Each field will be analysed to determine the number of incomplete records



Enhanced Verification

- Enhanced verification involves deeper analysis of the fields within the SCV file validating the fields against FSCS defined thresholds
 - ◆ Customer Details
 - ◆ SCV ID validation
 - ◆ Minimum name details validation
 - ◆ Product type validation
 - ◆ Address Details
 - ◆ Address format validation
 - ◆ Account Details
 - ◆ Account number validation
 - ◆ Account holder indicator validation
 - ◆ Account status code validation
 - ◆ Account balance validation
 - ◆ Balance
 - ◆ Aggregate balance validation
 - ◆ Compensatable balance



Duplicate checking

- In addition to the basic and enhanced verification, the SCV file content will be checked for currency and to remove any ambiguity from onwards processing
 - Experian maintains a “biography” of UK citizens within its databases with updates at each known touch point e.g. change of address, registration of a mobile telephone, home shopping, credit application etc
 - All records on the SCV file will be processed and assessed against this file for currency and to identify possible duplicates
 - Provision for processing against the Sanctions file notoriously difficult to match against efficiently
 - This is a verification process not a substitute for internal data cleansing



Housekeeping

- The final process of SCV verification is the removal of all deposit taker data from the Experian system
 - The source SCV file will be deleted
 - Paper based records will be returned by secure courier to FSCS
 - The system will be purged of any remaining data



Reporting

- File processing reports and Management Information (MI) will be made available to the FSA and FSCS
- The access mechanism and availability of results for feedback to the deposit takers is subject to further discussion with the FSA



Questions and Contact details

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