
30 July 2021

Attn: Treasury
data@treasury.gov.au

Payble Submission - Consumer Data Right rules amendments (version 3)

Payble appreciates the opportunity to provide Treasury with insights to consider, as part of Treasury's consultation with interested parties on the draft amendments to the Consumer Data Right rules (version 3), first issued 1 July 2021.

About Payble

Payble Pty Ltd is an Australian Fintech on the **mission to fix failed and late payments before they happen.**

Each year in Australia more than 75 million bills aren't paid on time. Every one of these bills has a profound impact on a consumer (who may incur late payment fees, credit score impacts or find the chaser calls embarrassing and stressful), and creates a cost for the business (who will spend time and money following up on the payment, or eventually writing it off as a loss).

Payble exists to remove the costs and stress of failed and late payments.

Using open banking technology and the Payble app, we ensure a better experience for customers and a better outcome for businesses:

We enable businesses to identify which bills might fail and proactively communicate a solution to their consumer directly (like prompting the consumer to top-up, activate bill smoothing or request a payment extension). This lowers costs and improves cash flow.

And we empower customers to manage their bills their way – by scanning the Payble QR code consumers can immediately pay their bill or activate a clever payment solution like bill smoothing, all without needing to call their biller.

Payble is currently undertaking the ACCC's CDR accreditation process, in order to become an Accredited Data Recipient at the Unrestricted level.

Submission

1. Allowing participants to share CDR insights with consumer consent for specific purposes

Payble is strongly supportive of this proposal.

We believe that the benefits of CDR will not be realised until amendments to use CDR insights for specific purposes have been enabled, allow data sharing outside of the DH/DR accreditation regime.

Payble will leverage open banking in its current form as an intermediary to solve the problem of failed or late payments. However, under current rules, we are prevented from providing specific customer CDR insights to a consumer's biller or merchant (even with consent of the consumer), and therefore have been utilising screen-scraping to bridge the gap. Whilst Payble has been able to add value to consumers and merchants in the current form, these amendments will enable greater flexibility to our product and roadmap and provide better outcomes to consumers and businesses.

For example, it has been reported that 73% of people have reported bill shock in the previous quarter¹, and therefore providing services to mitigate or provide early visibility on will greatly benefit both consumers and businesses and the success of the regime.

Payble strongly supports the amendments for sharing data insights outside the regime for prescribed purposes.

2. Creating a single consent data sharing model for joint accounts

Payble is strongly supportive of the proposed amendments to create a default 'pre-approval' setting. We believe this is an essential change for the intended access and functionality of the CDR and will reduce barriers to adoption for consumers and ADRs.

The Payble use case frequently encounters joint accounts when performing balance checks before bills are due. Bills are often managed from a household account and the current friction of requiring multiple consents leads to a poor onboarding customer experience and high drop-off rate. This friction is likely to reduce the success and take-up of the regime.

We are also supportive of the ability for any joint account holder to withdraw consent at any time.

If this amendment is approved, Payble supports action necessary to fast-track this implementation of the rules and compliance as a priority.

¹ The Bill Shock Index – Compare Club, June 2021

3. Introducing a sponsored tier of accreditation and a CDR representative model

Payble is pursuing Unrestricted Accreditation as a Data Recipient to bring innovation to Australian consumers and businesses within the existing and planned capabilities under the rules.

However, Payble is supportive of the introduction of a new sponsored tier of accreditation. This model is similar to other classes of tiers offered within the adjacent payments industry such as the BPAY scheme, AusPayNet, or the NPPA.

Accreditation is critically important to be a prudent and thorough process to ensure trust and consumer safeguards in the system and Payble supports the intent of due process. However, the trade-off for new businesses is the cost overheads in a pre-revenue stage of business yielding an unfair advantage to incumbents rather than challengers (where innovation is seeded).

As a result, time and effort can be better utilised on the customer value proposition and promotion of the CDR regime. Payble is supportive of amendments to the rules that support increasing pathways and lowering costs to CDR participation for consumers, businesses and accredited data recipients and other recipients.

4. Allowing consumers to share their data with trusted professional advisers

We recognise the innovative benefits this service can provide and are supportive of the proposal.

With the appropriate controls in place, ensuring trust in the system, and a good customer experience given that those likely to use a trusted adviser *may* be those who are less sophisticated with technology and new processes. There are also parts of this community who *may* be detrimentally impacted or coerced into providing consent outside of their intent whether consciously or otherwise. Payble believes the innovation opportunities outweigh the risks of these amendments not going ahead.

Payble would recommend exploration of how Power of Attorney (or similar agency) relationships that do not align to the classes specified would be treated. We believe with an aging population that there could be a market for bills and banking to be managed by a family member using Payble, in order to benefit a wider audience of Australian consumers.

To avoid any systemic future ramifications, Payble suggests that a guidance note is clearly provided in relation to Power of Attorney.

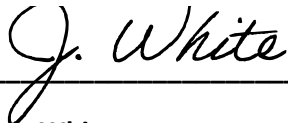
Summary

Payble is supportive of amendments to the rules that support increasing pathways to CDR participation for consumers, businesses and accredited data recipients and other recipients.

For emerging policy enabling positive change to Australians, it is vitally important that trust in the system is earned and not used to disadvantage consumers. Access however cannot be a barrier so high that new entrants are not incentivised to participate. This would result in a net loss to innovation and consumer benefit.

Payble is also encouraged by the contents of the Farrell report (Inquiry into future directions for the Consumer Data Right dated October 2020) particularly towards *Action Initiation*.

Yours sincerely,



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