



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem

Update to Personal Current  
Account Profiles –  
**Consumer Protection Directorate**

August 2020

## Update to Personal Current Account Profiles used by the Central Bank of Ireland when assessing notifications under Section 149 of the Consumer Credit Act 1995

Under Section 149 of the Consumer Credit Act 1995, the Central Bank of Ireland ('Central Bank') has the function of approving the maximum permitted level of certain charges that are required to be notified by credit institutions. One part of our assessment of these notifications involves having regard to the effect of the proposed charge on customers and, in the case of notifications relating to personal current accounts, the Central Bank uses a number of notional activity profiles to assist in this assessment<sup>1</sup>.

The current profiles date back to 2015 when they were updated following a report by the Department of Finance which reviewed the regulation of bank charges in Ireland<sup>2</sup>.

In line with our commitment to review the profiles and consider updated data and/or trends reflecting customer behaviour, we have updated the profiles to reflect the findings of research conducted with and feedback received from various stakeholders including the Banking & Payments Federation of Ireland and the Competition and Consumer Protection Commission.

Some of the specific changes made to the profiles include:

- An overall reduction in Over The Counter (OTC) withdrawal usage figures for the majority of customer profiles, particularly the Manual profile, due to a greater shift towards more cashless transactions;
- A significant increase in Point Of Sale (POS) debit transaction (including online transactions) usage figures for all customer profiles given advancements in technology;
- A significant decrease in POS Debit Contactless transaction usage figures for Electronic and Standard customers, but an increase in usage figures for Manual customers indicating that these customers are now becoming more digital in their transactions;
- An overall decrease in credit transfer usage figures, reflecting different transaction methods being used; and
- An increase in Direct Debit/Standing Order Charge figures for all customer profiles except the Electronic profile which remains unchanged.

The revised 'number of occurrences' included in the updated profiles reflect revised usage patterns based on consumers moving towards cashless and automated/self-service transaction

<sup>1</sup> The profiles reflecting notional activity are one of a number of matters considered, as set out in the document '*Information on the Bank Charges Approval Process*', which describes the Section 149 process ([here](#)).

<sup>2</sup> In 2014, the Department of Finance produced a report entitled "Report of the Review of Regulation of Bank Charges in Ireland". In this report, the Department of Finance recommended that it would not be appropriate to repeal Section 149 at that stage but did make a number of recommendations to a number of entities, including the Central Bank. One of the recommendations made was that: "The Central Bank of Ireland should reform the process by which it assesses applications as part of the Section 149 process, in particular by a) updating consumers profiles on a regular basis and incorporating forward looking projections in them ...". The profiles were updated in 2015 to incorporate forward looking contactless transaction figures, attributable to the entry of contactless technology to the Irish market, and forward looking changes to both Over the Counter (OTC) and ATM usage figures to reflect projected behavioural change among current account customers on foot of emerging automated channels. The summary narratives of the profiles were also updated to reflect the projected impact of contactless transactions on each customer type.

types. Annex 1 sets out the updated profiles and Annex 2 details the differences between the previous profiles and the updated profiles.

The Central Bank will regularly review the profiles, and update them accordingly on foot of new data or evidence of trends in customer behaviours.

## Annex 1: Updated Customer Profiles 2020

Charge Groups	Charge Type	No. of Occurrences	No. of Occurrences	No. of Occurrences	No. of Occurrences
		Standard	Electronic	Manual	Non-Standard
<b>Day to Day Transaction Fees</b>					
Basic Charges	Quarterly Charge	4	4	4	4
Account Maintenance Charges	OTC Withdrawals	4	1	5	2
	OTC Deposits	4	3	5	6
Debit Card	POS Debit (including online transactions)	123	150	32	146
	POS Debit Contactless	46	59	35	57
Set up/Renewal Fees	Overdraft Set up fee	1	1	0	1
Credit Transfer	Credit Transfer	5	7	1	5
Direct Debit/Standing Order	Direct Debit/Standing Order Charge	49	49	12	53
	ATM Withdrawals	50	54	17	48
Cheques	Cheques Drawn	2	1	6	3
<b>Out of Order/Other Fees</b>					
	Referral Fees	2	2	1	5

	Direct Debit/Standing Order Unpaid	1	2	2	5
	Interest Charged on Authorised Overdraft	€1,500 for 30 days	€1,500 for 10 days	0	€1,500 for 60 days
	Unauthorised Overdraft Interest	€500 for 10 days	0	0	€500 for 45 days
Other Fees	Duplicate Statements	1	0	1	2

Notes: The number of occurrences above represents transaction usage over the course of one year.

Withdrawals and Deposits include cheque processing.

OTC = Over the Counter e.g. manual transactions through a cashier in a bank branch.

POS = Point of Sale e.g. debit or credit card transactions using terminals in a shop.

## Summary of Customer Profiles

A summary of the four customer types is as follows:

**Standard – A standard profile customer** would use the majority of the functionality available on their account. We envisage that this type of customer would be a regular user of their online banking facility and would only occasionally need to attend a bank branch. This customer may occasionally incur limited out-of-order charges and would be a regular user of contactless transactions.

**Non-standard – A non-standard profile customer** would have a similar usage pattern to a standard customer, using the majority of the functionality available on their account. This type of customer would be a regular user of their online banking facility and would only occasionally need to attend a bank branch. This type of customer utilises overdraft/unauthorised overdraft position and incurs out-of-order transaction fees frequently. This customer would be a regular user of contactless transactions.

**Electronic – An electronic profile customer** would be a heavy user of the more automated functionality of their account. This type of customer would carry out more transactions electronically/online and rarely use over the counter (OTC) transactions/cheques or need to attend a bank branch. This customer would have an overdraft facility but rarely use it. This customer would not incur out-of-order charges and would be a high user of contactless transactions.

**Manual – A manual profile customer** would have more limited use of functions than a standard customer. This type of customer would use more manual type transactions, such as over the counter transactions, and have a greater reliance on cheques. This customer does not have an overdraft facility and does not typically incur out-of-order charges. This customer would be unlikely to use contactless transactions.

Should you have any questions in relation to the above please do not hesitate to contact the Central Bank at [section149@centralbank.ie](mailto:section149@centralbank.ie).

## ANNEX 2

The number in brackets ( ) reflects the difference between the previous version of the Customer Profiles and the Updated Customer Profiles set out in Annex 1

Charge Groups	Charge Type	No. of Occurrences	No. of Occurrences	No. of Occurrences	No. of Occurrences
		Standard	Electronic	Manual	Non-Standard

### Day to Day Transaction Fees

Basic Charges	Quarterly Charge	4	4	4	4
Account Maintenance Charges	OTC Withdrawals	4	1 (+1)	5 (-10)	2 (-2)
	OTC Deposits	4	3 (+1)	5 (-3)	6 (+2)
Debit Card	POS Debit (including online transactions)	123 (+43)	150 (+45)	32 (+32)	146 (+66)
	POS Debit Contactless	46 (-14)	59 (-149)	35 (+35)	57 (-3)
Set up/Renewal Fees	Overdraft Set up fee	1	1	0	1
Credit Transfer	Credit Transfer	5 (-6)	7 (-4)	1 (+1)	5 (-6)
Direct Debit/Standing Order	Direct Debit/Standing Order Charge	49 (+21)	49	12 (+5)	53 (+25)
	ATM Withdrawals	50 (+3)	54 (-6)	17 (+5)	48 (+1)
Cheques	Cheques Drawn	2 (-1)	1 (-1)	6 (-14)	3

Out of Order/Other Fees					
	Referral Fees	2	2 (+2)	1 (+1)	5 (-2)
	Direct Debit/Standing Order Unpaid	1	2 (+2)	2 (+2)	5 (-4)
	Interest Charged on Authorised Overdraft	€1,500 for 30 days	€1,500 for 10 days	0	€1,500 for 60 days
	Unauthorised Overdraft Interest	€500 for 10 days	0	0	€500 for 45 days
	Duplicate Statements	1	0	1	2



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