



ViaNova Working Group
Meeting
Thursday 8th October 2015
Minutes

Location

SWIFT
6th floor, The Corn Exchange
55 Mark Lane
London EC3R 7NE

Entry via reception on ground floor

Attendees

Attendee		Company	
Charles Kilkenny	CK	Actuare	
Ben Cocks	BC	Altus	
Chris Gill	CG	Altus	
Paul Latimer	PL	Barnett Waddingham	By Phone
Tim Scholes	TS	Barnett Waddingham	By Phone
Guido Kautz	GK	BlackRock	
Helen Scriminger	HS	Calastone	
Alastair Doggett	AD	Fidelity	
Glyn Davies	GD	Fidelity	
Steve Wallace	SW	Idea Group	
Simon Elliott	SE	Legal & General Investment Management	
Pauline Crerar	PC	Standard Life	
David Harrand	DH	Swift	
David Cole	DC	Towers Watson	

Apologies received from

Jon Oakley, Mercer and apologies go out to Hannah Weightman and Cassie Haynes from Axa Wealth for the confusion over the dial in details for the conference call.



Date

8th October 2015

Timing

Start: 10:00

End: 12:00

NOTE: This updated version of the minutes includes more questions on the message reference question in cancellations, and a discussion on sub-accounts which I had missed from the previous version – many thanks to Simon Elliot for pointing this out!

1. **A quick review of the minutes of the previous working group meeting.**

The main action arising from the previous meeting was the ViaNova survey. This action was completed and is feature in point 2 below.

2. **ViaNova survey results**

SW thanked the ten companies who completed the ViaNova survey. SW had prepared an updated version of his ViaNova network map. It was agreed that he would distribute the survey returns, summary and new network map to the whole group along with these minutes.

Given the large number of new firms on the product providers' and administrators' wish list it was felt that we need more channels to get our message out. The group proposes to reach out to PASA (The Pensions Administration Standards Association) to discuss how we might work with them to encourage the adoption of the ViaNova standard.

Paul Latimer – on the phone – agreed that this was a good idea and would try to arrange a meeting between the ViaNova Group (SW), himself and PASA.

ACTION: PL to arrange meeting between ViaNova and PASA.

3. **An update of the current state of activity in the transfers space.**

BC said that in general good progress is being made in automated transfers. ISAs and GIAs (Guaranteed Investment Accounts) are up and running well and people are happy.

For pension transfers the picture is not so clear. Market practice has been written but it has not been taken up. The new market practice is not compatible with the existing Origo pension transfer service – and this has been a barrier to adoption.

At the last meeting BC had introduced the DWP Automated Transfer Group which was due to start work the next day to develop market practice to support a 'Pot Follows Member'



scheme for pension pot transfers. The group had got off to a good start and a first draft market was produced. However it appears that the 'Pot Follows Member' initiative has stalled – there has not been an official announcement from the government announcing the scheme and the group is of the opinion that the new service is not going ahead.

The new Minister of State for Pensions (Baroness Altmann) appears focussed on other issues – not least auto-enrolment.

Both the treasury and the FCA are thought to be looking for fresh ideas on pension transfers.

The meeting discussed whether there was any chance that the industry, in particular the TPAs (ViaNova Administrators) could get together and do something under their own steam. The mood of the meeting was that this group, the ViaNova group, would be interested in contributing to an initiative.

ACTION: BC to mention to feedback to his group that the ViaNova group would be interested in discussing how the TPAs might work together to solve the pension transfers problem.

4. Market practice discussion
a. **Uniqueness of switch leg identifiers**

SW asked the group to review the statement tucked away on page 92 of the ViaNova document.

“The following references must be unique across all message types from a particular sender

- *Message reference*
- *Order reference*
- *Switch leg identifier [26]”*

SW said he had received an enquiry about whether this was actually the case – in particular should Switch Leg Identifiers really be unique across all message types from a particular sender?

AD said that the uniqueness of the switch leg identifier was based on a Fidelity requirement. Fidelity convert the switch legs into individual trades and use these identifiers as order references.

SW apologised for the stray number [26] – he said this had come from an auditing exercises when action numbers where corresponded to changes in the ViaNova text. The number should have been removed.

ACTION: In the next version of the ViaNova market practice the uniqueness of references requirement should be moved to the front of the document, around the



current discussion on order references on page 5.

ACTION: In the next version of the ViaNova market practice the review numbers [n] should be removed.

b. Use of SWIFT message references in cancellation instructions.

There next followed a review of the use of message references and order references, particularly with reference to order cancellations. There is a problem with the ViaNova 5.00 document in this respect.

On page 24 the Logical Data Items map shows the Order Message Reference as mandatory and the Order Reference as optional

Subscription Order Cancellation Request
Order message reference
Order reference ¹

Whereas on page 28 – in the Data Dictionary – the order message reference and the order reference are both shown as mandatory.

AD said that when Fidelity receive a cancellation request they only look at the order reference of the order to be cancelled.

CG said that Altus offer the ability to cancel orders by using the order message reference only.

A check of the schema on MyStandards reveals that from an ISO 20022 point of view – and using the cancellation by reference option – the order reference is mandatory and the message reference is optional.

NOTE: The message reference here is a reference allocated by the sender to a particular message – it is not an identifier of the message generated in the SWIFT header.

For backwards compatibility and clarity it will be necessary to make **both** the message reference and order reference mandatory in ViaNova – but we will also need to state that the product provider is perfectly within their rights to ignore the message reference and focus on the order reference. The ViaNova document will be tidied up and SW proposes that making them both mandatory is the answer for now.

Following the distribution of the first version of these minutes AD pointed out that we also need to consider the case of the cancellation status report – in the case where the message reference has been ignored by the product provider they will not have the message reference available to make an order cancellation status



message in accordance with the current standard. Is it possible to make the message reference optional in the cancellation status report? What happens at the moment in this situation?

ACTION: In the next version of ViaNova the logical data items and data dictionary items should be consolidated – or at least checked for accuracy. For cancellations the message reference and the order reference will be mandatory in the cancellation request – but the product provider can safely ignore the message reference and focus on the order reference if they wish.

ACTION: Please consider whether it is feasible to make the order message reference optional in the cancellation status report.

c. Sub Account References

CG raised a question about sub-account references. ViaNova treats the sub-account reference as mandatory – but some companies do not use a sub-account reference when defining accounts. What is the correct approach?

A quick analysis of the use of sub-account references

Inconsistent information about the sub-account reference in ViaNova 5.00		
Message	Logical Data Items Table	Data Dictionary
Subscriptions		
Subscription order	Mandatory	Optional
Order instruction status	Not required	Not required
Subscription order confirmation	Mandatory	Optional
Subscription order cancellation request	Not required	Not required
Subscription order cancellation status report	Not required	Not required
Redemptions		
Redemption order	Mandatory	Optional
Order instruction status	Not required	Not required
Redemption order confirmation	Mandatory	Optional
Redemption order cancellation request	Not required	Not required
Redemption order cancellation status report	Not required	Not required
Switches		
Switch order	Mandatory	Mandatory
Order instruction status	Not required	Not required
Switch order confirmation	Mandatory	Mandatory
Switch order cancellation request	Not required	Not required
Order cancellation status report	Not required	Not required
Holdings Report		
Statement of holdings	Mandatory	Mandatory
Transaction Statement		
Statement of transactions	Mandatory	Mandatory

NOTE: There is an erroring Figure 8 on page 84. Statement of Holdings should read 'Statement of Transactions'.

The inconsistency between the "Logical Data Items Table" and the "Data Dictionary" may be explainable as a previous attempt to satisfy those firms who do not use sub-accounts. Without going back over all the minutes it would be hard to say.



The rule of thumb that seems to be applied is: If you have no sub-account identifier available either make one up based on the main account id or simply use the same identifier for main account and sub-account. This usage may explain why the current mandatory/optional mismatch appears in the documentation.

It would be nice to tidy this up finally with some sort of official statement in the next version of ViaNova.

ACTION: Please consider the above and prepare for a debate at the next meeting

5. GAIA

SW introduced the group to the GAIA a project. He has been working with a group of key players to produce an automation project for the alternative funds industry (hedge funds). SW explained that at the heart of this project was a business focussed market practice which concentrates on the needs of the business rather than the requirement of a particular messaging standard. Once the business data model and conversations had been agreed the group then mapped the business model to the ISO 20022 message set – and have been able to map to the ISO 20022 order message conversation and include all the extra features required by the alternative funds industry without any message misuse and no extension elements.

There is an intriguing prospect that the GAIA market practice could be harmonised with SMPG global market practice, and possibly ViaNova, to provide a global market practice for both mutual and alternative funds.

More information on this project is available at <http://www.gaiastandard.org/>

6. AOB.

There were no other items of other business the meeting closed at 12:10. We will try to arrange another meeting in December – date to be confirmed.

SW 19th October 2015