



Open Banking in 2026: A System Moving From Data Access to Infrastructure

by Cuztina Liu

Open banking in the UK has progressed from an early regulatory initiative to a meaningful part of the country's financial infrastructure. By mid-2025, over 15mn consumers and businesses were using services powered by open-banking APIs. Connection quality, consent volumes and payment success rates continue to improve, reflecting almost a decade of coordinated work between regulators, banks, FinTechs and standards bodies. Open banking is no longer peripheral - it now underpins material economic value, with the Payment Systems Regulator estimating up to £43bn in annual benefits at maturity.

1) From Data Access to Practical Payments

The first phase of open banking centred on secure access to account and transaction data, enabling budgeting tools, affordability assessments and more transparent financial management. These capabilities remain essential.

The next chapter has been payments initiation, where UK adoption has accelerated sharply, with 50%+ year-on-year growth in 2024-25 (Open Banking Ltd / former OBIE Impact Reports). Account-to-account (A2A) payments now are widely used for bill payments, P2P transfers, SME payouts and instant settlement.

Variable Recurring Payments (VRP) and their commercial extension, C-VRP, show how the model is shifting towards predictable, programmable payment flows:

- VRP was first mandated for “sweeping,” allowing customers to move money between their own accounts under agreed limits.
- C-VRP, delivered by the UK Payments Initiative, is expected to go live across utilities, government and financial services in early 2026, with long-term plans to extend into e-commerce.

2) Open Banking's Position in a Multi-Rail Ecosystem

Rather than displacing existing rails, open banking is clarifying where each rail works best:

- Card networks remain indispensable for high-trust, high-volume retail transactions, global acceptance, sophisticated fraud controls and established dispute rights.
- A2A brings efficiency to recurring payments, bill settlement, disbursements and account-to-account commerce, especially where instant settlement matters.

The UK is clearly moving into a multi-rail environment, where cards, A2A, instant payments and wallets coexist. Open banking increasingly provides the identity, consent and data layer that connects them. The competitive edge shifts from “which rail?” to how rails are orchestrated.

3) Beyond Banking Data: towards Open Finance

With the EU advancing FIDA and PSD3, data sharing will expand beyond payment accounts to encompass savings, lending, investments and parts of insurance. This expansion enables richer credit decisioning, personalised financial guidance, automated cross-sector financial tools, embedded finance for non-financial industries.

For the UK, this marks the transition from “open banking” to a wider smart data ecosystem in finance, where data becomes the connective tissue across products, sectors and rails.

4) Implications Across the Ecosystem

For Card Networks

Open banking increases demand for cross-rail orchestration, identity assurance and consent management. Both Mastercard and Visa are positioning themselves not as single-rail networks, but as multi-rail ecosystems.

- Mastercard has broadened its Open Finance platform, supports A2A use cases including Paytently's open-banking checkout, and offers products such as Deposit Switch and Bill Pay Switch, with deployment varying across markets.

- Visa, through Tink, launched Visa A2A in the UK and completed the first commercial VRP transaction with Kroo Bank and Utilita in 2025.

For Banks

Banks are shifting from regulatory compliance to commercial opportunity. Open banking underpins onboarding, verification, analytics and new A2A-driven propositions. C-VRP in 2026 will accelerate the creation of structured, recurring A2A products.

For FinTechs

Open banking provides a foundation for embedded finance, real-time credit, automated billing and new forms of personal financial management.

For Merchants

A2A can reduce cost in specific scenarios, improve authentication, and offer instant settlement.

C-VRP introduces a modern recurring payment model with fewer breakages and more predictable cash flow.

5) A System Moving Towards Interconnection

The evolution of open banking in the UK - strengthened by VRP/C-VRP and reinforced by Europe's shift toward open finance - marks a decisive move to a fully multi-rail environment.

It is no longer about one rail replacing another, but about bringing them together through shared identity, consent and data. As payments become more embedded and automated, people will not think about which rail they are using at all - the system will choose the best one for them quietly in the background.

The organisations best positioned for this future will:

- **Integrate multiple rails into their core architecture**, allowing cards, A2A, instant payments and wallets to be used interchangeably.
- **Build or adopt strong identity and consent systems** for secure authentication, mandate management and permission control.

- **Dynamically route payments by cost, risk and customer preference** to optimise conversion and economics.
- **Participate in standards-based data ecosystems** that scale across sectors and support future smart-data and open-finance use cases.

Be UK helps banks, networks, FinTechs and merchants turn a fast-evolving multi-rail landscape into clear strategy, differentiated propositions and practical delivery. We identify where different rails create value, design modern A2A and card-based journeys, and support execution through the right vendors, operating models and go-to-market plans.

About us

Be | Shaping the Future is a leading pan-European financial services management consultancy, operating in 13 countries across Europe.

We are a trusted partner to five of Europe's top ten banks, as well as card networks, processors, fintechs and payment service providers.

We are one of the fastest growing consultancies with dedicated specialist teams in:

- Retail and commercial banking
- Capital markets
- Cards and payments
- Risk, regulatory and compliance
- Finance & CFO advisory
- ESG

At Be UK, our Cards & Payments team works across the full payments value chain - including issuers, acquirers, processors, schemes and PSPs - to design, build and scale modern cards and payments propositions.

Our team brings deep experience in cards and payments strategy, product and proposition design, payments economics, scheme and regulatory change, and large-scale transformation delivery. We support clients at every stage of their journey, from defining strategy and go-to-market models to delivering complex payments transformation programmes and optimising performance.

Drawing on our experience across all major payments landscape across the world, we help clients respond to disruption, unlock new revenue opportunities and optimise cost and value across their payments businesses. By combining deep industry insight with strong consulting and delivery capability, we help clients deliver lasting change.

Contact

For more information on how we can help you on your payments journey, please get in touch.



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