A guide to Open Banking for Xero Partners

This guide is designed to give you the information you need to help prepare for new EU industry-wide standards that will be implemented by 14 March 2020.

January 2020
What is happening with Xero bank feeds?

Some of Xero’s bank feed connections will change to comply with the new requirements. Xero’s existing bank feeds with Barclays, as well as all UK and EU bank feeds set up using Yodlee, will no longer be available. Many of these will be replaced with new direct bank feeds using Open Banking. If you or your clients are currently using these bank feeds, you may need to change to the new bank feeds, where available. It should take less than five minutes to connect feeds with each bank.
What will happen if bank feeds are not changed by the deadline?

If you or your clients don’t change the affected bank feeds by the deadline, your transactions will stop being imported into Xero and you’ll lose the benefits of having a bank connection – such as easy bank reconciliation.

You can still connect a bank feed at a later date. However, you and your clients will need to make sure that historical transactions are imported back to the date that the bank feed disconnected, otherwise you’ll have a gap in transactions.

You can import up to 12 months of historical transactions – simply select the start date of the bank feed when you or your clients authorise the connection.

Keep an eye on our list of bank feeds affected by Open Banking which you can find in Xero Central.
What else should I know about the new bank feeds?

**Existing bank rules may be affected**

If you or your clients have bank rules set up, you’ll need to check they’re working once the new bank feed is connected. This is due to the way the new bank feeds are set up and mapped within Xero. Visit Xero Central if you need a reminder on how to edit bank rules.

**Re-authenticating bank connections every 90 days**

As part of the new requirements, you and your clients will need to re-authenticate your bank connections every 90 days. It’s as simple as following the prompt on your Xero dashboard and re-entering your online banking credentials. This is a new requirement under Open Banking and is in place to better protect business data.

**Top tip:** If an organisation has multiple bank accounts connected, re-authenticate all bank accounts on the same day so that the process is synchronised every 90 days.
How can I see which clients are affected?

**See affected clients in Xero HQ**

See which of your clients are impacted by logging in to Xero HQ and opening the Explorer tab. There you’ll have an overview of affected clients and the action required. Xero HQ will show all affected clients your firm is connected to, whether you own the subscription or are just invited in. To help see who to contact and when, download an up to date .CSV file which includes your clients’ contact details.
What should I tell my clients?

If you own their Xero subscription
Give your clients a call, or drop them an email, to let them know about the new requirements – and what they mean for their Xero bank feeds. To lend a hand, we’ve drafted an email on the next page that you can use. Feel free to copy and paste the whole thing, or any elements that cover the changes that affect them.

If they subscribe to Xero directly
We will send them an email to bring them up to speed, but they’ll be likely to need reassurance and guidance as the changes take effect. Take this opportunity to get in touch and offer your services as a Xero expert and advisor. Either way, make sure they know there’s more information available at xero.com/uk/open-banking with a short video and a dedicated guide like this for small businesses, as well as webinars and FAQs – or online support at Xero Central.
What to send to your clients

Simply copy and paste this into an email.

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New Message
Subject line: Your Xero bank feeds are changing

Hi {Client Name},

I’m writing to let you know that there are new EU standards which took effect from 14 September 2019, to give you more control of your banking data and how it’s used.

It also means the way some banks connect to Xero will change, so I want to make sure you’re up to speed on how it’ll impact you.

Existing Xero bank feeds with Barclays, as well as all UK and EU bank feeds set up using Yodlee, will no longer be available. Many of them will be replaced by new direct feeds using Open Banking.

As you’re currently using these feeds, you’ll need to change to new direct feeds where available. This will ensure your transactions can continue to flow into Xero each day.

New feeds are safe, straight-forward and free

The good news is, these new direct bank feeds are secure, easy to set up from inside Xero, and free.

If your feed does not have a replacement

Unfortunately, not all affected bank feeds have a replacement. If your bank feed doesn’t have a replacement, you’ll need to manually import transactions into Xero from 14 March 2020.

If, or when, an Open Banking feed for your bank becomes available, the Xero dashboard will prompt you to update your feed.

Getting your business ready

The new feeds will be made available in stages. When it’s time to switch, you’ll see a notification on your Xero dashboard. It’s a simple process. Watch Xero’s video to see just how easy it is.

There may also be changes to any bank rules you have set up, but Xero has guidance to help you make those updates on Xero Central.

Get in touch if you’ve got any questions or, for more information directly from Xero – including an Open Banking guide for small businesses, live webinars and FAQs – visit xero.com/uk/open-banking.

I look forward to talking to you again soon,

{Sign off}

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P.S. If you’d like to include Xero’s Open Banking video in your communications or on your website, you can use this link: https://www.youtube.com/watch?v=TtfdF LvnTt4&feature=youtu.be
Preparation checklist

✅ Register for our Open Banking webinar by searching for ‘Open Banking’ on central.xero.com/learning to find out more about the changes and how you can prepare.

✅ Make sure everyone in your practice is up to speed with the new EU standards and the impact these may have on Xero bank feeds and bank rules.

✅ Think about how you’ll support your clients through this change, and what processes you may need to change or implement within your practice. For example, think about how you might be able to help more of your clients at once through group events or workshops.

✅ See which of your clients are impacted by logging in to Xero HQ. From the Explorer tab, you’ll have an overview of how many clients are affected and what action is required. Plus, you can download a .CSV file which includes your clients’ contact details.

✅ Help your clients register for online banking and ensure they know their online banking credentials. They’ll need them to connect their new bank feeds.

✅ Communicate with your clients to make sure they know about the new requirements and the impact to Xero bank feeds. Let them know how you will support them through the change.

✅ Educate your clients on the value of bank feeds and, in particular, the benefits of the new bank feeds that will use Open Banking — they are secure, easy to set up and free. Make sure your clients know the impact if they don’t change their bank feed by the deadline.

✅ Share the Open Banking Guide for Small Businesses with your clients to make sure they’re prepared.

✅ Visit xero.com/uk/open-banking to learn more about Open Banking and the new requirements, plus access our FAQs.

✅ Keep an eye out for an email from Xero. We will let you know if and when you and your clients can change to the new bank feeds.
Beautiful business