A guide to Open Banking for Xero Small Businesses

This guide is designed to inform you about EU industry wide standards which are now being enforced.

March 2020
What is happening with Xero bank feeds?

Some of Xero’s bank feed connections have changed to comply with the new requirements. Xero’s old bank feeds with Barclays, as well as all feeds set up using Yodlee, are no longer available. Many of these have been replaced with new direct bank feeds using Open Banking.

If you were using these bank feeds, you’ll need to change to the new 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 haven’t changed affected bank feeds, they will stop automatically importing transactions into Xero and you’ll lose the benefits of having a bank connection – such as easy bank reconciliation.

Bank feeds can still be connected at a later date. Xero will automatically import historical transactions from the date the bank feed disconnected. However, only 12 months of historical transactions can be retrieved when connecting a bank feed, so if the feed has been disconnected for more than 12 months you’ll need to manually import transactions to fill the gap.

Keep an eye on our list of bank feeds affected by Open Banking which you can find in Xero Central.
What if there is no replacement for my existing bank feed?

Not all affected bank feeds have a replacement - if yours doesn’t it will stop automatically importing transactions and you will need to manually import transactions into Xero from now on.

If, or when an Open Banking feed for your bank becomes available, we will let you know. It’s a simple process to connect the new bank feed, just make sure you have your internet banking details handy.

In the meanwhile, we recommend that you refer to this list to understand the status of your feed(s).
What else should I know about the new bank feeds?

Existing bank rules may be affected
If you 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 the bank rules.

Re-authenticating bank connections every 90 days
As part of the new requirements, you will need to re-authenticate your bank connection 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 you have multiple bank accounts connected, re-authenticate all bank accounts on the same day so that the process is synchronised every 90 days.
Preparation checklist

- Watch Xero’s short video that explains what Open Banking is and how you can change to a new bank feed.
- Find out more about the changes that are coming and how you can prepare at our Open Banking webinar. Register now or sign up by searching for ‘Open Banking’ at central.xero.com/learning.
- Speak to your Xero advisor if you have one. They are aware of these changes and can support you through the process.
- Make sure you are registered for online banking and have your online banking credentials handy. You will need them to connect your new bank feeds.
- 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 can change to the new bank feeds.