
EXPLANATORY NOTE

(This note is not part of the Order)

Part 2 of this Order amends Part 5 of the Banking Act 2009 (c. 1), which provides for the Bank of England to oversee certain payment systems, such that the Part applies to certain service providers in relation to such systems.

In article 2—

- paragraphs (4) to (7) require the Treasury to consult the Payment Systems Regulator in relation to the making, amendment and revocation of orders recognising payment systems as systems over which the Bank of England has oversight, and amend the procedure for the amendment of such orders where the amendment revokes or changes the specification of service providers over which the Bank of England has oversight.
- paragraphs (8) to (12) make amendments providing for the Bank of England's functions and powers to oversee specified service providers;
- paragraphs (13) to (22) make amendments providing for the inspection and investigation of specified service providers, and enforcement of compliance failures;
- paragraphs (2), (3) and (23) to (29) make other related amendments.

Article 3 makes consequential amendments to related secondary legislation.

Part 3 of this Order amends the Bank of England Act 1998 (c. 11) so that the Bank of England may disclose information obtained by it under that Act to the Payment Systems Regulator.

Part 4 of this Order amends the Financial Services and Markets Act 2000 (Excluded Activities and Prohibitions) Order 2014 in consequence of amendments to the Banking Act 2009 made by the Digital Economy Act 2017 (c. 30).

A full impact assessment has not been produced for this instrument as no significant impact on the costs of business or the voluntary sector is foreseen.