



# Financial Services (Banking Reform) Act 2013

## 2013 CHAPTER 33

### PART 5

#### REGULATION OF PAYMENT SYSTEMS

##### *Relationship with other regulators*

#### **98 Duty of regulators to ensure co-ordinated exercise of functions**

- (1) The following are regulators for the purposes of this section—
  - (a) the Payment Systems Regulator;
  - (b) the Bank of England;
  - (c) the FCA;
  - (d) the PRA.
- (2) The regulators must co-ordinate the exercise of their relevant functions (see subsection (5)) with a view to ensuring—
  - (a) that each regulator consults every other regulator (where not otherwise required to do so) in connection with any proposed exercise of a relevant function in a way that may have a material adverse effect on the advancement by that other regulator of any of its objectives;
  - (b) that where appropriate each regulator obtains information and advice from every other regulator in connection with the exercise of its relevant functions in relation to matters of common regulatory interest in cases where the other regulator may be expected to have relevant information or relevant expertise.
- (3) The duty in subsection (2) applies only to the extent that compliance with the duty—
  - (a) is compatible with the advancement by each regulator of any of its objectives, and

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- (b) does not impose a burden on the regulators that is disproportionate to the benefits of compliance.
- (4) A function conferred on a regulator relates to matters of common regulatory interest if—
- (a) another regulator exercises similar or related functions in relation to the same persons,
  - (b) another regulator exercises functions which relate to different persons but relate to similar subject-matter, or
  - (c) its exercise could affect the advancement by another regulator of any of its objectives.
- (5) “Relevant functions” means—
- (a) in relation to the Payment Systems Regulator, its functions under this Part [<sup>F1</sup>or Part 2 of the Payment Card Interchange Fee Regulations 2015] ;
  - (b) in relation to the Bank of England, its functions under Part 5 of the Banking Act 2009 (<sup>F2</sup>...payment systems) [<sup>F3</sup>or Part 5A of that Act (wholesale cash distribution)];
  - <sup>F4</sup>(c) in relation to the FCA—
    - (i) the functions conferred on it by or under FSMA 2000 (see section 1A(6) of that Act);
    - (ii) the functions conferred on it by or under Part 3 of the Payment Card Interchange Fee Regulations 2015 (S.I. 2015/1911);
    - (iii) the functions conferred on it by or under the Electronic Money Regulations 2011 (S.I. 2011/99);
    - (iv) its functions in regulating—
      - (a) credit institutions where authorised under Part 4A of FSMA 2000, or
      - (b) authorised payment institutions under the Payment Services Regulations 2017 (S.I. 2017/752).]
  - (d) in relation to the PRA, the functions conferred on it by or under FSMA 2000 (see section [<sup>F5</sup>2AB(3)] of that Act).
- (6) “Objectives” means—
- (a) in relation to the Payment Systems Regulator, its payment systems objectives [<sup>F6</sup>and ensuring compliance with the interchange fee regulation (see Part 2 of the Payment Card Interchange Fee Regulations 2015)] ;
  - (b) in relation to the Bank of England, its Financial Stability Objective under section 2A of the Bank of England Act 1998;
  - (c) in relation to the FCA, its strategic objective and operational objectives under section 1B of FSMA 2000 [<sup>F7</sup>and ensuring compliance with Articles 8(2), (5) and (6), 9, 10(1) and (5), 11 and 12 of the interchange fee regulation (see Part 3 of the Payment Card Interchange Fee Regulations 2015)] ;
  - (d) in relation to the PRA, its general objective under section 2B of that Act.
- <sup>F8</sup>(7) In subsection (6) “the interchange fee regulation” means Regulation (EU) 2015/751 of the European Parliament and of the Council of 29th April 2015 on interchange fees for card-based payment transactions.]

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### Textual Amendments

- F1** Words in s. 98(5)(a) inserted (9.12.2015) by [The Payment Card Interchange Fee Regulations 2015 \(S.I. 2015/1911\)](#), regs. 1, **19(a)(i)**
- F2** Word in s. 98(5)(b) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), **Sch. 9 para. 39**
- F3** Words in s. 98(5)(b) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(d), **Sch. 9 para. 16**
- F4** S. 98(5)(c) substituted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(a), **Sch. 6 para. 43**
- F5** Word in s. 98(5)(d) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), **Sch. 2 para. 67** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)
- F6** Words in s. 98(6)(a) inserted (9.12.2015) by [The Payment Card Interchange Fee Regulations 2015 \(S.I. 2015/1911\)](#), regs. 1, **19(b)(i)**
- F7** Words in s. 98(6)(c) inserted (9.12.2015) by [The Payment Card Interchange Fee Regulations 2015 \(S.I. 2015/1911\)](#), regs. 1, **19(b)(ii)**
- F8** S. 98(7) inserted (9.12.2015) by [The Payment Card Interchange Fee Regulations 2015 \(S.I. 2015/1911\)](#), regs. 1, **19(c)**

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### Modifications etc. (not altering text)

- C1** S. 98(6)(a) modified (1.1.2024) by [S.I. 2015/1911](#), **reg. 4B** (as inserted by [The Financial Services and Markets Act 2023 \(Consequential Amendments\) Regulations 2023 \(S.I. 2023/1410\)](#), regs. 1(2), **10**)

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### Commencement Information

- I1** S. 98 in force at 1.3.2014 by [S.I. 2014/377](#), art. 2(1)(a), **Sch. Pt. 1**

**Changes to legislation:**

There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 98.