

## STATUTORY INSTRUMENTS

# 2017 No. 752

## The Payment Services Regulations 2017

### PART 7

#### Rights and Obligations in Relation to the Provision of Payment Services

##### *Execution time and value date*

#### Application of regulations 86 to 88

85.—(1) Regulations 86 to 88 apply to any payment transaction—

- [<sup>F1</sup>(a) executed wholly within the qualifying area in euro under a payment scheme which operates across the qualifying area]
- (b) executed wholly within the United Kingdom in sterling; or
- (c) [<sup>F2</sup>executed wholly under a payment scheme which operates across the qualifying area and] involving only one currency conversion between the euro and sterling, provided that—
  - (i) the currency conversion is carried out in the United Kingdom; and
  - (ii) in the case of cross-border payment transactions, the cross-border transfer takes place in euro.

(2) In respect of any other payment transaction, the payment service user may agree with the payment service provider that regulations 86 to 88 (except regulation 86(3)) do not apply.

[<sup>F3</sup>(3) In paragraph (1), “the qualifying area” means the area of the United Kingdom and the EEA States.]

#### Textual Amendments

- F1** Reg. 85(1)(a) substituted (31.12.2020) by The Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1201), reg. 1(3), **Sch. 2 para. 43(2)(a)** (with reg. 4, Sch. 3 Pt. 2) (as amended by S.I. 2020/56, regs. 1, 8); 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in reg. 85(1)(c) inserted (31.12.2020) by The Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1201), reg. 1(3), **Sch. 2 para. 43(2)(b)** (with reg. 4, Sch. 3 Pt. 2) (as amended by S.I. 2020/56, regs. 1, 8); 2020 c. 1, Sch. 5 para. 1(1)
- F3** Reg. 85(3) inserted (31.12.2020) by The Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1201), reg. 1(3), **Sch. 2 para. 43(3)** (with reg. 4, Sch. 3 Pt. 2) (as amended by S.I. 2020/56, regs. 1, 8); 2020 c. 1, Sch. 5 para. 1(1)

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*Changes to legislation: The Payment Services Regulations 2017, Cross Heading: Execution time and value date is up to date with all changes known to be in force on or before 18 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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### Payment transactions to a payment account

**86.**—(1) Subject to paragraphs (2) and (3), the payer's payment service provider must ensure that the amount of the payment transaction is credited to the payee's payment service provider's account by the end of the business day following the time of receipt of the payment order.

(2) Where a payment transaction is initiated by way of a paper payment order the reference in paragraph (1) to the end of the business day following the time of receipt of the payment order is to be treated as a reference to the end of the second business day following the time of receipt of the payment order.

(3) Where a payment transaction—

- (a) does not fall within paragraphs (a) to (c) of regulation 85(1); but
- (b) is to be executed wholly within the [F<sup>4</sup>United Kingdom],

the payer's payment service provider must ensure that the amount of the payment transaction is credited to the payee's payment service provider's account by the end of the fourth business day following the time of receipt of the payment order.

(4) The payee's payment service provider must value date and credit the amount of the payment transaction to the payee's payment account following its receipt of the funds.

(5) The payee's payment service provider must transmit a payment order initiated by or through the payee to the payer's payment service provider within the time limits agreed between the payee and its payment service provider, enabling settlement in respect of a direct debit to occur on the agreed due date.

#### Textual Amendments

- F4** Words in [reg. 86\(3\)\(b\)](#) substituted (31.12.2020) by [The Electronic Money, Payment Services and Payment Systems \(Amendment and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1201\)](#), [reg. 1\(3\)](#), [Sch. 2 para. 44](#) (with [reg. 4](#), [Sch. 3 Pt. 2](#)) (as amended by [S.I. 2020/56](#), [regs. 1](#), [8](#)); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)

### Absence of payee's payment account with the payment service provider

**87.**—(1) Paragraph (2) applies where a payment service provider accepts funds on behalf of a payee who does not have a payment account with that payment service provider.

(2) The payment service provider must make the funds available to the payee immediately after the funds have been credited to that payment service provider's account.

### Cash placed on a payment account

**88.** Where a payment service user places cash on its payment account with a payment service provider in the same currency as that payment account, the payment service provider must—

- (a) if the user is a consumer, micro-enterprise or charity, ensure that the amount is made available and value dated immediately after the receipt of the funds;
- (b) in any other case, ensure that the amount is made available and value dated no later than the end of the next business day after the receipt of the funds.

## Value date and availability of funds

**89.**—(1) The credit value date for the payee's payment account must be no later than the business day on which the amount of the payment transaction is credited to the account of the payee's payment service provider.

(2) Paragraph (3) applies where—

- (a) the transaction does not involve a currency conversion [<sup>F5</sup>by the payee's payment service provider];
- (b) the transaction involves [<sup>F6</sup>a currency conversion by the payee's payment service provider] between the euro and pounds sterling <sup>F7</sup>...; or
- (c) the transaction involves only one payment service provider.

(3) The payee's payment service provider must ensure that the amount of the payment transaction is at the payee's disposal immediately after that amount has been credited to that payment service provider's account.

(4) The debit value date for the payer's payment account must be no earlier than the time at which the amount of the payment transaction is debited to that payment account.

### Textual Amendments

- F5** Words in [reg. 89\(2\)\(a\)](#) inserted (13.1.2018) by [The Payment Systems and Services and Electronic Money \(Miscellaneous Amendments\) Regulations 2017 \(S.I. 2017/1173\)](#), [regs. 1\(4\)](#), [7\(g\)\(i\)](#)
- F6** Words in [reg. 89\(2\)\(b\)](#) substituted (13.1.2018) by [The Payment Systems and Services and Electronic Money \(Miscellaneous Amendments\) Regulations 2017 \(S.I. 2017/1173\)](#), [regs. 1\(4\)](#), [7\(g\)\(ii\)](#)
- F7** Words in [reg. 89\(2\)\(b\)](#) omitted (31.12.2020) by virtue of [The Electronic Money, Payment Services and Payment Systems \(Amendment and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1201\)](#), [reg. 1\(3\)](#), [Sch. 2 para. 45](#) (with [reg. 4](#), [Sch. 3 Pt. 2](#)) (as amended by [S.I. 2020/56](#), [regs. 1](#), [8](#)); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)

**Changes to legislation:**

The Payment Services Regulations 2017, Cross Heading: Execution time and value date is up to date with all changes known to be in force on or before 18 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to :**

- [Regulations power to amend conferred by 2021 c. 22 s. 23](#)