

## Payment Systems Regulator

Who we are and what we do

For further information  
please visit our website  
[www.psr.org.uk](http://www.psr.org.uk)

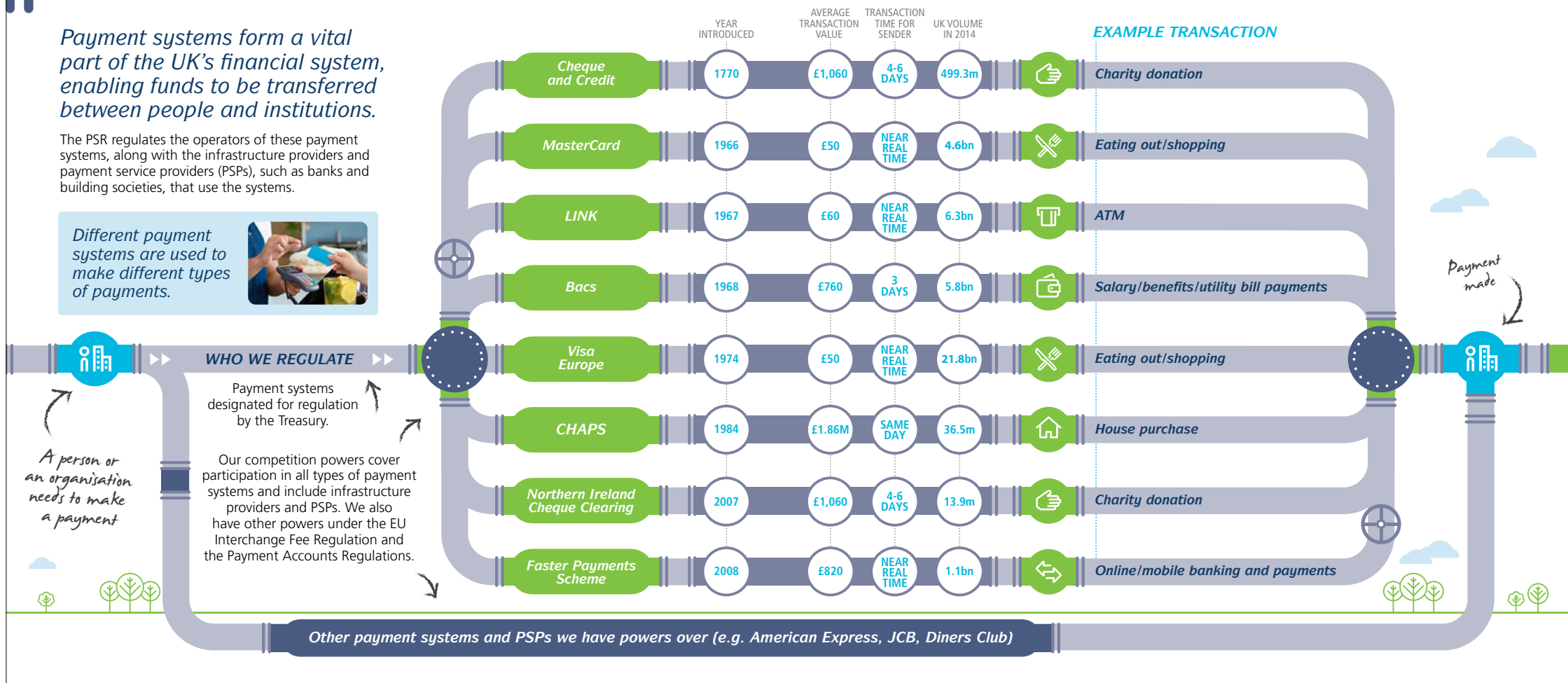


# An introduction to payment systems

Payment systems form a vital part of the UK's financial system, enabling funds to be transferred between people and institutions.

The PSR regulates the operators of these payment systems, along with the infrastructure providers and payment service providers (PSPs), such as banks and building societies, that use the systems.

Different payment systems are used to make different types of payments.



## Our role in financial regulation

*“Since the Payment Systems Regulator came into existence, the payments landscape has begun to change. We are making a positive difference to users of payment systems by encouraging competition and innovation throughout the sector.”*

**Hannah Nixon**  
PSR managing director

**Parliament**  
Makes laws, decides taxes and scrutinises the government. The PSR was created by the Financial Services (Banking Reform) Act 2013 and is accountable to Parliament.

**HM Treasury**  
The UK's economic and finance ministry controls public spending and sets economic policy. We were set up following Treasury consultations on the payments industry, and work with the Treasury on a range of issues.

**Competition and Markets Authority (CMA)**  
Promotes competition for the benefit of consumers in the UK and aims to ensure markets, including financial markets, work well for customers, businesses and the economy.

**Financial Conduct Authority (FCA)**  
Regulates the conduct of over 56,000 firms and prudentially regulates around 24,000 firms. The FCA aims to make financial markets work well by securing an appropriate degree of protection for consumers, enhancing market integrity and promoting effective competition.



**EU Commission**  
The European Union's executive body has various roles in relation to payments. It initiates and implements EU policy and enforces EU competition and payments laws. We work with the Commission on competition and financial services regulation issues.

**Bank of England**  
The central bank of the United Kingdom, with a mission to maintain monetary and financial stability in the UK. This includes the regulation and oversight of the financial stability of key payment, clearing and settlement systems.

**Prudential Regulation Authority (PRA)**  
Regulates the financial safety and soundness of around 1,700 banks, building societies, credit unions, insurers and major investment firms.

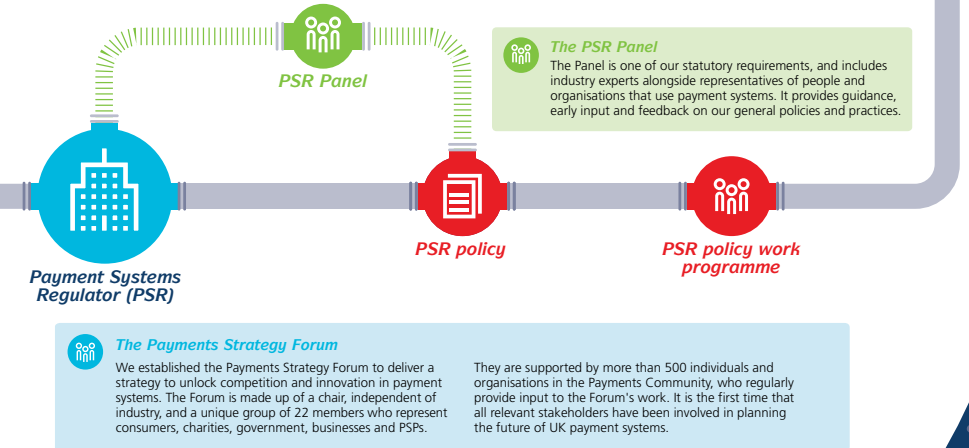
**Payment Systems Regulator (PSR)**  
We are the independent economic regulator for the payment systems industry in the UK, set up by the Government. We are also the competition authority for payment systems in the UK. We are a subsidiary of the FCA, with our own board and managing director, and have been fully operational since 1 April 2015. We are funded by industry fees and are accountable to Parliament.

## Our objectives

To ensure that payment systems are operated and developed in a way that considers and promotes the interests of those who use, or are likely to use, services provided by payment systems.

To promote effective competition in the markets for payment systems and services – between operators, Payment Service Providers and infrastructure providers.

To promote the development of and innovation in payment systems.



**The Payments Strategy Forum**  
We established the Payments Strategy Forum to deliver a strategy to unlock competition and innovation in payment systems. The Forum is made up of a chair, independent of industry, and a unique group of 22 members who represent consumers, charities, government, businesses and PSPs.

They are supported by more than 500 individuals and organisations in the Payments Community, who regularly provide input to the Forum's work. It is the first time that all relevant stakeholders have been involved in planning the future of UK payment systems.