



**BANK OF ENGLAND**

# News release

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## **Payment Systems Oversight Report 2008**

The Bank of England is today publishing its fifth *Payment Systems Oversight Report* (see link below). The *Oversight Report* is an important element of the Bank's oversight work, increasing transparency about the performance of the overseen systems and acting as a tool to encourage further progress. It reports on the key changes in the main UK payment systems and explains the focus of the Bank's work in this field.

In common with the four previous *Oversight Reports*, the overall message is positive: standards in the UK payment, clearing and settlement systems have been maintained, and in some respects improved. The recent period of market turbulence has presented significant challenges which they have handled well. Although several large financial institutions have suffered significant and widely reported distress, payment systems did not act as a channel of contagion. This largely reflects the steps taken ten to fifteen years ago to move to real-time gross settlement. The key payment systems remain close to observing fully the internationally recognised Core Principles for Systemically Important Payment Systems.

### **Notes to Editors**

As an annual publication, the Bank uses the *Oversight Report* as a means of explaining how it is discharging its public policy responsibilities for oversight, as part of its broader mandate for financial stability.

This is the last *Oversight Report* to be produced in the current format. The Bank will review the appropriate form of reporting following oversight being put on a statutory footing. (The Banking Act 2009 is available at: [http://www.opsi.gov.uk/acts/acts2009/pdf/ukpga\\_20090001\\_en.pdf](http://www.opsi.gov.uk/acts/acts2009/pdf/ukpga_20090001_en.pdf)).

The *Core Principles for Systemically Important Payment Systems* are a set of ten standards agreed among central bank overseers and published back in 2001 ([www.bis.org/publ/cpss43.pdf](http://www.bis.org/publ/cpss43.pdf)). They focus on the controls that payment systems should have in place in order to minimise a variety of risks inherent in payment systems.

Payment Systems Oversight Report 2008 - Issue No 5, April 2009

<http://www.bankofengland.co.uk/publications/Documents/psor/psor2008.pdf>

Annexes to Payment Systems Oversight Report 2008 - Issue No 5, April 2009

Detailed assessments of payment systems

<http://www.bankofengland.co.uk/publications/Documents/psor/psorannex2008.pdf>