The British Blockchain Association

The British Blockchain Association®
Advocating Evidence Based Blockchain

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24 November 2026

To
The Public Bill Committee
Financial Services and Markets Bill [HL]
House of Commons

By email: scrutiny@parliament.uk

Written evidence submitted by The British Blockchain Association (BBA)

Financial Services and Markets Bill [HL] | Public Bill Committee | Clause 50: Digital assets strategy

The BBA consents to publication of this submission and its organisation name and does not request confidential treatment.

Dear Members of the Committee,

Summary

- The BBA supports the aim of Clause 50: clear direction and accountability for the UK's digital assets policy. We do not support its mechanism.
- Clause 50 requires a strategy and a consultation. It does not require delivery, and it does not create parliamentary scrutiny of delivery.
- We recommend replacing it with a new clause requiring the Treasury to publish an implementation timetable, respond on access to banking, payments and settlement, and report to Parliament every six months. Draft wording is set out in the Annex.
- We do not support omitting the clause unless it is replaced, or the Minister gives these three commitments on the record.

About the BBA

1. The British Blockchain Association (BBA) is the UK's longest-established blockchain industry body, founded in 2017. We promote evidence-based blockchain policy and research. We are Secretariat to the All-Party Parliamentary Group on Blockchain Technologies, and home to the world's first Centre for Evidence-Based Blockchain and to the Journal of the British Blockchain Association.

Background

2. On 9 September 2026 the House of Lords agreed Amendment 88, which became Clause 50, by 194 votes to 138. The clause would require the Treasury to prepare, publish and consult on a strategy within 12 months of Royal Assent. It would also require consideration of access to banking, payment and settlement services, and of the risks of blanket or insufficiently risk-sensitive restrictions. [1, 2]

3. The Government has indicated, through Government amendment 25, that it does not intend to retain the clause. [3]

Why Clause 50 falls short

4. As drafted, Clause 50 contains no provision requiring milestones to be set, reforms to be implemented, the strategy to be revised or further reports to be made to Parliament. Nor does it confer any right of access to banking services. [1]

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5. Implementation is already under way. The cryptoasset regime commences in full on 25 October 2027, and the FCA's application window runs from 30 September 2026 to 28 February 2027. The Bank of England intends to finalise its Code of Practice for systemic stablecoin issuers by the end of 2026. [4–6] A 12-month strategy exercise would run alongside this work, is likely to draw on the same Treasury and regulatory resource, and risks restating decisions already taken.

6. Existing accountability does not reach Parliament in the near term. The Wholesale Digital Markets Champion, appointed for 18 months, reports to the Chancellor, with a full report due by July 2027. The statutory review under Part 8 of the 2026 Regulations reports only within five years of full commencement. [4, 7] The greater need is near-term parliamentary scrutiny of delivery.

Recommendations

7. **Replace Clause 50 with a delivery duty.** We invite Members to table a new clause requiring the Treasury to:

   (a) publish an implementation timetable within six months of Royal Assent;

   (b) publish, within the same period, a response on access to banking, payment and settlement services, drawing on evidence already submitted, with further evidence-gathering confined to material gaps; and

   (c) lay a progress report before Parliament every six months.

   Unlike a new strategy, the timetable and response would consolidate decisions already taken and evidence already gathered. They would not require fresh policy development or a statutory consultation. A statutory duty has a force that a ministerial undertaking does not, which is why we prefer a replacement clause. The BBA does not support omission of Clause 50 unless it is replaced, or the Minister gives these commitments on the record. Paragraphs 8 to 13 set out what each should contain.

8. **Implementation timetable.** Bring together the existing work on cryptoassets, stablecoins and digital financial market infrastructure. Name the responsible bodies, identify dependencies and outstanding decisions, and set target dates. The timetable should be prepared with input from regulators and industry. A single timetable would make existing programmes easier to scrutinise and help firms prepare.

9. **Banking, payments and settlement.** Our 29 August 2026 submission to the All-Party Parliamentary Group inquiry into access to banking services made two central points. [8] First, the surveys cited in our submission reported substantial barriers: around 40% of bank-to-exchange transactions were estimated to be blocked or delayed in a survey of ten exchanges, and half of the UK fintech and crypto firms responding to a separate survey reported being refused a bank account or having one closed. These figures describe the surveys, not the whole UK market. Firms also reported refusals despite holding FCA registration. Second, the evidence describes blanket restrictions that do not distinguish an FCA-registered UK firm from an unregulated offshore platform. Authorisation under the new regime should change the default from declining the sector to assessing the firm.

10. The FCA has recorded stakeholder reports that access problems are more frequent for SMEs in sectors where banks may have reduced risk appetite, including cryptoassets. It has also stated

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that it cannot require firms to offer bank accounts to business customers, and that whether to introduce a legal right to a payment account is a matter for Government and Parliament. [9] Supervisory engagement alone is therefore not a complete remedy.

11. For contracts agreed from 28 April 2026, payment service providers must give at least 90 days' notice and a written explanation before closing an account, subject to exceptions for financial crime. [10] Those rules do not reach refusals at onboarding or restrictions on individual payments. We ask the Treasury to publish its assessment of where lawful firms face barriers to opening accounts and obtaining payment or settlement services, and to consider reasons and a route to challenge for those decisions, subject to the law on financial crime, including the prohibition on tipping off. Providers must remain free to refuse risks they cannot manage, and effective financial-crime controls must be preserved.

12. New clause NC17 appears to be directed at access to in-person banking services, following the Government's statement of 16 November. [3, 11] It does not address access to accounts, payments or settlement for lawful firms in any sector. We ask the Minister to confirm whether any existing or proposed power could address those barriers, and which would require separate work with regulators or payment and settlement operators.

13. **Six-monthly reports to Parliament.** The first report should set a baseline and explain how progress will be measured. Later reports should show milestones met, explain any delays with revised dates and, where reliable aggregate data exist, including through the FCA's existing data-collection powers, report on account opening, refusals and closures. Each report should assess consumer protection, market integrity and financial stability alongside competition and growth. This would let Parliament judge whether access is improving while financial-crime safeguards remain effective.

Yours faithfully,

Research Team
Centre for Evidence-Based Blockchain
The British Blockchain Association

Sources

[1] Commons Bill 152, Clause 50
[2] Hansard (HL), 9 September 2026, Amendment 88, Division 3
[3] Public Bill Committee amendment paper, 23 November 2026 (amendment 25, NC17)
[4] The Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026, SI 2026/102
[5] FCA, New regime for cryptoasset regulation
[6] Bank of England, Sterling-denominated systemic stablecoins, 22 June 2026
[7] HM Treasury, Terms of Reference for Wholesale Digital Markets Champion, 16 June 2026
[8] BBA written evidence to the APPG inquiry into access to banking services, 29 August 2026
[9] FCA, Perimeter report, 26 March 2026 (updated 16 July 2026)
[10] HM Treasury, Millions of people and businesses protected against debanking
[11] HM Treasury written statement, 16 November 2026 (HCWS475)

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Annex: Draft new clause

Illustrative wording for Members' consideration. It would replace Clause 50.

Digital assets: implementation and reporting

(1) The Treasury must, within six months of the day on which this Act is passed, publish and lay before Parliament—

(a) an implementation timetable for the regulation of cryptoassets and qualifying stablecoins, and for the use of distributed ledger technology in financial market infrastructure, identifying—

(i) decisions that remain outstanding,

(ii) the bodies responsible for them,

(iii) dependencies between them, and

(iv) target dates; and

(b) a statement of the Treasury's assessment of the barriers faced by relevant persons in obtaining or retaining banking, payment and settlement services, and of the action the Treasury proposes to take, including whether legislation is required.

(2) The Treasury must, at intervals of not more than six months after the later of the publications under subsection (1), lay before Parliament a report on progress against the timetable and statement, which must—

(a) state which target dates have been met,

(b) explain any failure to meet a target date and give a revised date, and

(c) where reliable aggregate information is available, include information about the opening, refusal and closure of accounts held by relevant persons.

(3) In preparing a statement or report under this section, the Treasury must have regard to consumer protection, market integrity and financial stability, as well as competition and growth.

(4) Subsection (2) ceases to have effect at the end of the period of three years beginning with the day on which this Act is passed.

(5) In this section—

"cryptoasset" has the meaning given in section 417(1) of the Financial Services and Markets Act 2000;

"qualifying stablecoin" has the meaning given in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

"relevant person" means a person who is authorised under the Financial Services and Markets Act 2000, or registered under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, to carry on activities relating to cryptoassets.

Explanatory statement: *This new clause would replace the strategy duty in Clause 50 with a duty to publish an implementation timetable and a statement on access to banking, payment and settlement services, followed by six-monthly reports to Parliament for three years.*