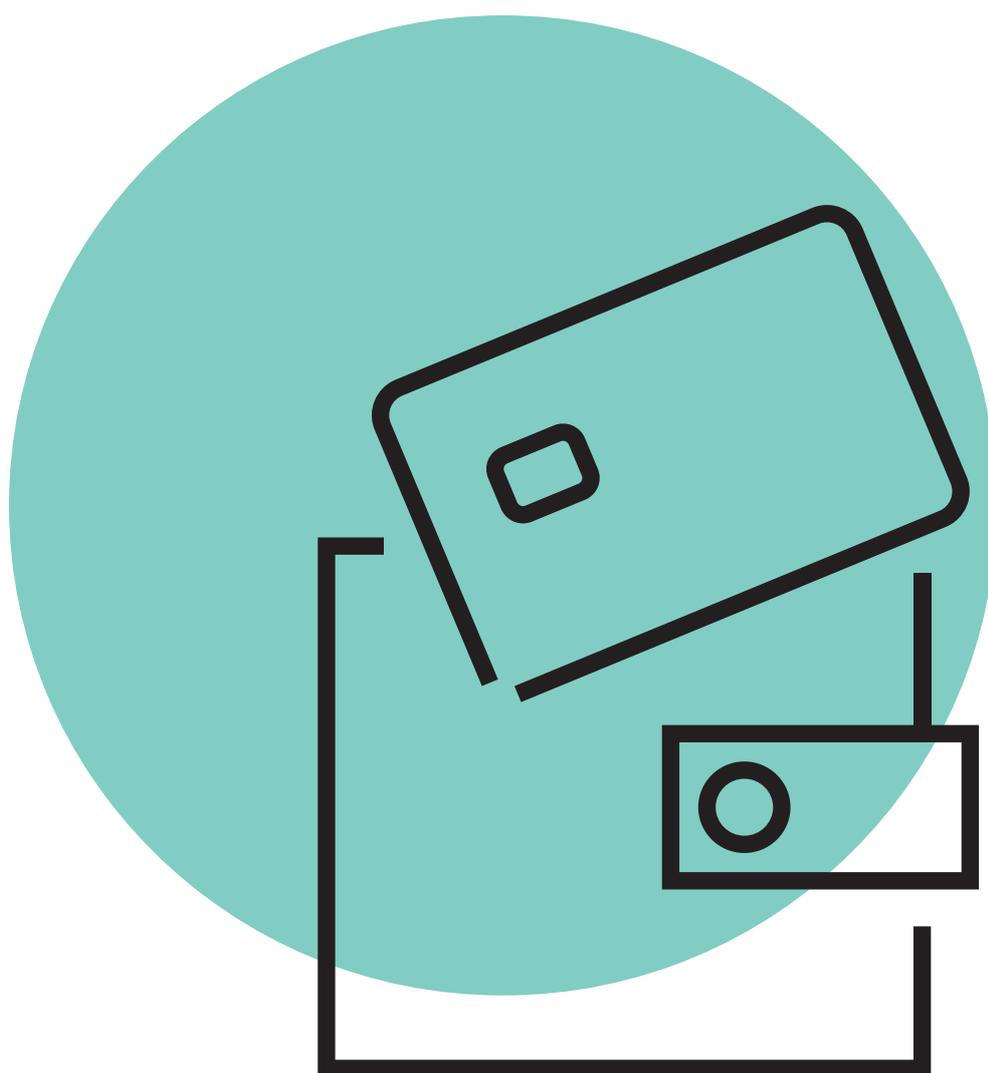


2017



# UK Payment Markets

An analysis of recent and emerging developments and forecasts for all forms of payment



The following companies contributed to the data within this publication.  
More details of referenced payment systems are available on the relevant websites:



Bacs has been maintaining the integrity of payment related services since 1968, with responsibility for the schemes behind the clearing and settlement of UK automated payment methods, Direct Debit and Bacs Direct Credit. Almost 123 billion transactions have been debited or credited to British bank accounts via Bacs since its inception; in 2016 6.2 billion UK payments were made this way with a total combined value of just below £4.8 trillion. [www.bacs.co.uk](http://www.bacs.co.uk)



The Belfast Bankers' Clearing Company was formed in May 2007 as a means of formalising existing rules and standards for sterling paper clearings and Euro debit clearing in Northern Ireland. The role of the Company is to maintain the integrity of the clearing arrangements and ensure the system is efficient and effective. [www.bbcl.co.uk](http://www.bbcl.co.uk)



Cash Services acts as a focal point for the provision of strategic direction on co-operative (non-commercial) issues for cash. Its overall aim is to ensure that cash can circulate efficiently and effectively, and risks in the cash cycle are managed to this end. [www.cashservices.org.uk](http://www.cashservices.org.uk)



CHAPS is the UK's same day high value payment system for both wholesale financial and retail payments. Payments of any value are settled individually and irrevocably intraday in central bank funds, transferred over SWIFT. CHAPS is an international scheme focused on systemically important, high value and time-critical payments. Currently 26 domestic and international financial institutions are Direct Participants, with a high level of future joiners planned, the widest Direct Participation base of the UK schemes. These serve over 5,000 Indirect Participants. CHAPS is used by banks, building societies and other payment service providers to pay each other in wholesale financial transactions and international sterling flows, accounting for most of CHAPS' value. [www.chapsco.co.uk](http://www.chapsco.co.uk)



The Cheque and Credit Clearing Company is responsible for managing the cheque clearing system. As well as clearing cheques, the system processes bankers' drafts, building society cheques, postal orders, warrants, government payable orders and travellers' cheques. The company also manages the systems for the clearing of paper bank giro credits, euro cheques and US dollar cheques (the two clearings for currency cheques drawn on GB banks). In 2016 the sterling clearing systems handled 367 million inter-bank cheque and credit items, valued at a total of £416 billion. [www.chequeandcredit.co.uk](http://www.chequeandcredit.co.uk)



The Faster Payments Service, operated by Faster Payments Scheme Limited, enables internet, mobile, telephone and standing order payments to move from account to account, normally within seconds, and certainly within a few hours, 24 hours a day, 365 days a year. The scheme has been doing this non-stop, since its launch just over seven years ago, and now delivers over 1.4 billion payments a year, worth almost £1.2 trillion. Given its scale and reach, it is still considered one of the most advanced real-time payments services in the world. [www.fasterpayments.org.uk](http://www.fasterpayments.org.uk)  
Faster Payments' real-time payments capability is now being used to underpin the Paym mobile payments service. [www.paym.org.uk](http://www.paym.org.uk)



The LINK Scheme is the national cash machine network. Effectively every cash machine in the UK is connected to LINK, and LINK is the only way banks and building societies can offer their customers access to cash across the whole of the UK. LINK's role is to provide UK consumers with universal access to cash in a safe, convenient and rapid manner. LINK is governed by its 38 Members which issue debit and ATM cards and deploy cash machines across the UK. [www.link.co.uk](http://www.link.co.uk)

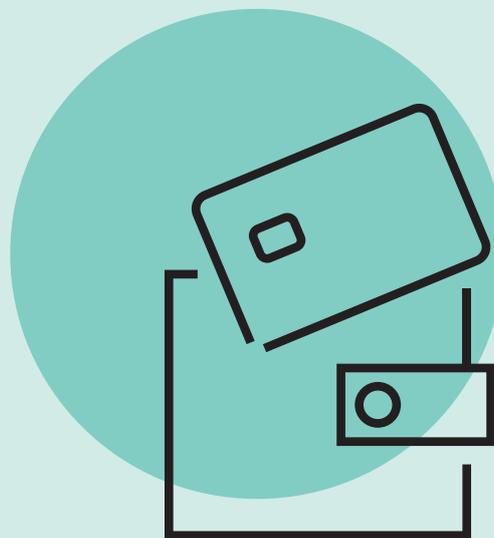


The UK Cards Association is the trade body for the card payments industry in the UK, representing financial institutions which act as card issuers and acquirers. The Association is committed to delivering a card payments industry that is constantly focused on improved outcomes for the customer. [www.theukcardsassociation.org.uk](http://www.theukcardsassociation.org.uk)

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Payments UK is the trade association launched in June 2015 to support the rapidly evolving payments industry. Payments UK brings its members and wider stakeholders together to make the UK's payment services better for customers and to ensure UK payment services remain world-class.

UK Payment Markets 2017 provides detailed commentary on trends in payment markets in 2016 and forecasts their direction to 2026.

It includes statistical tables of historic and forecast data for payments and cash acquisition between 2006 and 2026.

Other publications produced by Payments UK include UK Cash & Cash Machines, UK Payment Statistics, UK Cheques, UK Consumer Payments and UK Automated Payments.

This report is produced annually to provide an analysis of recent and emerging developments and to forecast volumes and values for all forms of payment.

Colleagues working on behalf of Payments UK will be happy to help if you have any queries regarding this publication.

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# Contents

<b>Foreword</b>	4	<b>Charts</b>	
<b>Payment Markets Headlines</b>	5	<b>1.1</b>	Payment Volumes 2006 to 2016 8
		<b>1.2</b>	Payment Volumes 2016 to 2026 19
<b>Section 1 Overview by Payment Method</b>		<b>2.1</b>	Consumer payment volumes 22
<b>1.1</b>	UK Payments Summary 6	<b>2.2</b>	Consumer payment values 24
<b>1.2</b>	Recent trends in UK payments 8	<b>2.3</b>	Volume of contactless card payments 29
<b>1.3</b>	Summary: 2016 – a payments minute 13	<b>2.4</b>	Proportion of people making contactless payments in 2016 by age 30
<b>1.4</b>	Payment Method Forecast 14	<b>2.5</b>	Age distribution of Apple Pay and Android Pay users vs total population, 2016 33
<b>Section 2 Consumer Payments</b>		<b>2.6</b>	Value of personal online spending by method 35
<b>2.1</b>	Introduction 22	<b>2.7</b>	Regular Financial payments by method 42
<b>2.2</b>	Spontaneous Payments 27	<b>2.8</b>	Non-financial regular payments by method 43
<b>2.3</b>	Regular Payments 40	<b>2.9</b>	Cash machine withdrawal volumes and values 44
<b>2.3</b>	Cash Acquisition 44	<b>2.10</b>	Regular internet users and adults using internet, mobile and telephone banking 47
<b>2.5</b>	Remote Banking 46	<b>2.11</b>	Use of remote banking services – Percentage of current account holders 47
<b>2.6</b>	Forecasts 48	<b>2.12</b>	Volume forecast graph 52
<b>2.7</b>	Summary: Payments made by adults each month 58	<b>2.13</b>	Personal cash acquisition 57
<b>Section 3 Business Payments</b>		<b>3.1</b>	Value of payments made by businesses 61
<b>3.1</b>	Recent trends in business payments 61	<b>3.2</b>	Change in business cheques and Faster Payments over time 75
<b>3.2</b>	Business to Individual payments 64	<b>3.3</b>	Number of payments made by businesses in the UK, 2006 to 2026 77
<b>3.3</b>	Business to Business payments 71	<b>3.4</b>	Forecast for volume of CHAPS payments 84
<b>3.4</b>	CHAPS 76		
<b>3.5</b>	Business cash acquisition 77		
<b>3.6</b>	Forecasts 78		
<b>Key Statistics</b>	85		

## Tables

<b>1.1</b>	UK payment and cash acquisition annual volumes summary	21
<b>2.1</b>	Number of annual payments made per adult in each age band in 2016	25
<b>2.2</b>	Number of annual payments made per adult by people in each socio-economic group in 2016	26

## Boxes

Consumers reliant on cash and consumers who rarely use cash	10
Open Banking	51
About Cheque Imaging	55

## Key Statistics

<b>Table 1</b>	Cheque, card and automated transaction volumes	86
<b>Table 2</b>	Cheque, card and automated transaction values	87
<b>Table 3</b>	Total payments volumes	88
<b>Table 4</b>	Total payments values	89
<b>Table 5</b>	Automated credit payments volumes	90
<b>Table 6</b>	Automated credit payments values	91
<b>Table 7</b>	Total cash acquisition from accounts volumes	92
<b>Table 8</b>	Total cash acquisition from accounts values	93

## Glossary

The main payment-related terminology used in this report is as follows:

- automated payments comprise Direct Debits; Bacs Direct Credits; standing orders; single immediate, forward dated and bulk corporate access transactions processed through the Faster Payments Service; and internal transfers within the same bank;
- card payments are all those made using debit, credit and charge cards;
- electronic payments refer to the sum of automated and card payments;
- credit card payments refers to both credit and charge card payments unless clear from the context;
- payments refer to all purchases and transfers but not including those made to acquire cash; and
- transactions include all payments as well as cash acquisition.