

UK Automated Payments 2017



UK
FINANCE

Trends and forecasts for the use of Bacs Direct Credit,
Direct Debit, Faster Payments, standing orders and CHAPS



October 2017

Acknowledgements and contacts

UK Finance

UK Finance represents nearly 300 of the leading firms providing finance, banking, markets and payments-related services in or from the UK. UK Finance has been created by combining most of the activities of the Asset Based Finance Association, the British Bankers' Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and the UK Cards Association.

UK Finance has an important role to play helping negotiators understand how the interests of UK and EU customers, and the financial services they all depend upon, can be best protected.

Our members are large and small, national and regional, domestic and international, corporate and mutual, retail and wholesale, physical and virtual, banks and non-banks. Our members' customers are individuals, corporates, charities, clubs, associations and government bodies, served domestically and cross-border. These customers access a wide range of financial and advisory products and services, essential to their day-to-day activities. The interests of our members' customers are at the heart of our work.

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



Bacs has maintained 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

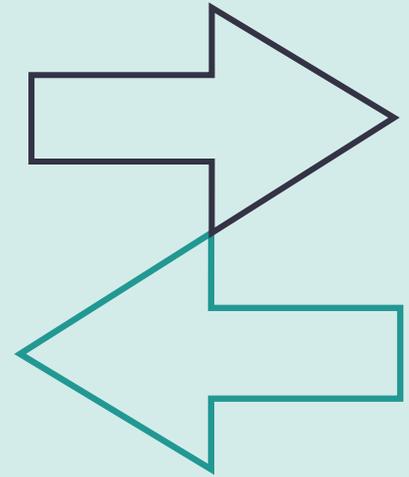
CHAPS Co

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



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 nine 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
Faster Payments' real-time payments capability is now being used to underpin the Paym mobile payments service. www.paym.org.uk

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UK Automated Payments 2017 presents detailed information on how individuals and businesses use automated payments and forecasts how transaction volumes will change over the next ten years.

UK Finance also publishes *UK Payment Markets*, *UK Payment Statistics*, *UK Cheques*, *UK Cash & Cash Machines*, *UK Card Payments* and *UK Consumer Payments*. These can be purchased from:

www.ukfinance.org.uk/statistics/payments

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Information on UK Finance can be found at:

www.ukfinance.org.uk

Information on automated payments can be found at:

www.bacs.co.uk

www.chapsco.co.uk

www.fasterpayments.org.uk

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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 refers to the sum of automated and card payments;
- credit card payments refers to both credit and charge card payments unless clear from the context; and
- payments refers to all purchases and transfers but not including those made to acquire cash.

Data sources

Unless otherwise stated, the sources of data are:

- (a) payments data and statistics provided by members of UK Finance, Bacs, CHAPS and Faster Payments; and
- (b) UK Finance market research.

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