

2016

UK Payment Statistics

Key statistics on the UK payment clearings, cash, card payments and payment markets

Leading the way we pay

A black and white photograph showing a hand holding a white pen, pointing at a document with a barcode. The document is on a desk, and a computer keyboard is visible in the background. The image is partially obscured by a large, abstract, multi-colored geometric shape in shades of pink and purple that covers the right side and bottom of the page.

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 116 billion transactions have been debited or credited to British bank accounts via Bacs since its inception. In 2015 over 6.0 billion UK payments were made this way with a total combined value of just below £4.6 trillion. 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



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



CHAPS is the only UK payment system that guarantees real-time finality of individual payments of unrestricted value, across the Bank of England's Real Time Gross Settlement (RTGS) system. CHAPS is an international scheme focused on systemically important, high value and time-dependent payments. It has the widest Direct Participation base, with domestic and international financial institutions, and serves 24 Direct Participants and over 5,000 Indirect Participants. It is used by banks, building societies and other payment service providers to pay each other, including international sterling flows. Most of CHAPS' daily value transferred derives from these wholesale financial transactions. CHAPS processed £68.4 trillion in 2015, which equates to £270 billion per day, turning over the UK's annual GDP every six working days. 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 2015 the sterling clearing systems handled 432 million inter-bank cheque and credit items, valued at a total of £472 billion. 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 eight years ago, and now delivers over 1.2 billion payments a year, worth more than £1 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 recently launched Paym mobile payments service. 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 37 Members which issue debit and ATM cards and deploy cash machines across the UK. 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. Members of the association account for the vast majority of debit and credit cards issued in the UK - issuing in excess of 58 million credit cards and 98 million debit cards - and cover the whole of the payment card acquiring market. 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.

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

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Published June 2016

Preface

The main focus of UK Payment Statistics 2016 is to provide one data source for the UK payments market, covering cash, card, paper and electronic payments, and their use by payment type and customer sector. The report is divided into four main sections:

Section 1: UK Clearing & Other Statistics

Detailed annual clearing statistics for the UK, encompassing Bacs, Cheque and Credit, CHAPS, Faster Payments and the paper dollar clearing together with details of UK financial institutions' branch networks.

Section 2: UK Card Payments

Detailed annual card statistics including the number of cards in issue (by type) and the volume and value of transactions made using UK-issued cards, both in the UK and abroad; data relating to the usage of UK and foreign-issued cards in the UK, split by sector, for example, the number and value of transactions made on food and drink, motoring and entertainment.

Section 3: UK Cash & Cash Machines

Detailed annual statistics showing Bank of England notes in circulation and new notes issued since 2005. Annual cash machines statistics are depicted in terms of ownership, volume and value of transactions at cash machines, card types accepted and the different facilities available for use.

Section 4: UK Payment Markets

Detailed annual statistics relating to the UK payment markets, providing forecasts on all payment types, i.e. automated, payment card, cheque, cash and other transactions. In addition, there are data relating to business and personal payment behaviour, payment card holding, remote banking usage, payment of wages and salaries and receipt of income. Forecast data are included up to 2025, indicating how payments are envisaged to change over the next decade based on historical data and new and emerging developments.

Sources of data

The clearing data in this report are compiled from information by the scheme members and analysed by the Information Management Team. The Building Societies Association provides data relating to branch numbers of those institutions which are not members.

The two sources of annual UK credit and debit card and cash machine data are The UK Cards Association and LINK. Statistics are compiled from information gathered from UK-based issuers of payment, and ATM-only cards; from those institutions which process payment card transactions on behalf of UK-based merchants, retailers and other service providers; and cash machine owners including IADs. The data relating to banknotes in issue are provided by the Bank of England.

Research and Customer Policy analyses payment markets data provided by Payments UK members and market research findings taken primarily from Payments UK's National Payments Study. The aim of the Study is to measure the volume of payments made by different methods, and to provide information on payment methods used by individuals. The Study is conducted by means of a combination of telephone interviews, self-completion questionnaires and diary completion. The 2015 sample is based on a sample of 2,267 individuals aged 16 or over and resident in the UK.

Additional information

Payment statistics are updated and issued on both a monthly and annual basis. It should be noted that all clearing data for Northern Ireland have been estimated for 2005 – 2007 only. Quarterly statistical tables are released to the media and other stakeholders. Card Expenditure Statistics (CES) data are also released every month and is available from www.theukcardsassociation.org.uk.

Plastic card and other payment market statistics are available annually.

A full glossary of terms used in this publication can be found at www.paymentsuk.org.uk.

Conventions

The following conventions apply throughout this publication:

- One billion equals 1,000 million.
- Annual figures are for calendar years ending 31 December.
- Symbols used in tables:
 - nil value
 - .. value too small to be shown
 - * figure not available
 - ^ revised figure
 - # percentage figures not calculated due to small base giving large outcome

Some columns do not show any percentage changes, here the source figures are very small – typically below ten.

Due to the rounding of figures, the sum of separate items may differ from the totals shown.

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