



ANNUAL SUMMARY OF PAYMENT STATISTICS 2018

The data within the summary are grouped, as follows:

Bacs Payment Schemes Limited

For over 50 years, Bacs has been at the heart of the payments industry. On 1 May 2018, Bacs Payment Schemes Limited became a wholly-owned subsidiary of the new home for UK retail payments, Pay.UK. The responsibility for the operations of Direct Debit, Bacs Direct Credit, the Current Account Switch Service, the Cash ISA Transfer Service and the Industry Sort Code Directory have been handed over to Pay.UK. At the end of 2018, there were 25 direct participants in Bacs payment services and 47 Current Account Switch Service participants.

CHAPS

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 in central bank funds, and transferred over SWIFT. CHAPS is focused on systemically important, high-value and time-critical payments. Currently 33 domestic and international financial institutions are Direct Participants. These serve several thousand Indirect Participants. Financial institutions such as banks, central counterparties and authorised non-bank payment service providers are eligible to join CHAPS. Most of CHAPS' value is accounted for by wholesale financial transactions and international sterling flows.

The Faster Payments Scheme Limited

The Faster Payments Scheme Limited is a not-for-profit company, wholly-owned and operated by Pay.UK. The Faster Payment Service is the only truly real-time payment scheme in the UK. The service allows payments up to £250,000 to be sent within seconds on a 24/7 basis 365 days a year. Payments can be made over a variety of channels, such as telephone banking, mobile banking, internet banking as well as over the counter. These channels can be used to send individual payments as well as standing orders or forward dated payments throughout the service. As at the end of 2018 there were 28 Directly Connected Participants, with a number intending to join in 2019. Given its scale and reach, it is considered one of the most advanced real-time payment services in the world. For more information on Faster Payments, please visit our website at www.fasterpayments.org.uk

Cheque and Credit Clearing Company Limited

The Cheque and Credit Clearing Company Limited (C&CCC) is a wholly-owned subsidiary of the new body for UK retail payments, Pay.UK. The C&CCC has managed the paper cheque and credit clearing system in England and Wales since 1985 and in Scotland from 1996. Since its launch in October 2017 the company has also managed the Image Clearing System, which enables digital images of cheques to be exchanged between participant banks and building societies across the whole of the UK for clearing and settlement. The paper clearing system and the Image Clearing System (ICS) clear cheques drawn on UK bank accounts and other eligible debit items. In addition the systems process bill payments and other credit items accompanied by cash or cheques. On 1 July 2018, the oversight, systemic risk management and strategic direction of the running and managing of the cheque paper and cheque image clearing systems was handed over to Pay.UK as the System Operator. As a wholly owned subsidiary of Pay.UK, the C&CCC continues to support the paper clearing system for cheques and credits and the ICS. The C&CCC ceased operation of the euro debit clearing, which processed cheques drawn in euros on UK banks, on 10 September 2018. These cheques are now processed by means of direct exchange and settlement between the relevant banks.

The Belfast Bankers' Clearing Company Limited (BBCCL)

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, and has four members. The role of the Company is to maintain the integrity of the clearing arrangements and ensure the system is efficient and effective.

Notes:

Totals, averages and percentages are calculated using data that has not been rounded. The value of euro debit clearings are shown as £ sterling equivalent.

253 days were used to calculate the average daily statistics in 2018, with 252 in 2017. In terms of Faster Payments, 253 days were used for Standing Orders and 365 days were used for the other payment types.

Inter-branch clearing volumes (i.e. items cleared between branches of the same bank) are shown separately. These data are less comprehensive due to changes in agency arrangements and individual member processing policies, for example, the increased use of electronic processing methods. It is likely, therefore, that a proportion of inter-branch transactions are not included in these totals.

In-house volumes (i.e. payments between different accounts held at the same branch of a financial institution) are shown separately.

A description of referenced payment systems is shown on the relevant websites:

- www.bacs.co.uk
- www.bbccl.co.uk
- www.bankofengland.co.uk/payment-and-settlement/chaps
- www.fasterpayments.org.uk
- www.chequeandcredit.co.uk

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DIRECT PARTICIPATION IN THE PAYMENTS SYSTEMS AS AT 31 DECEMBER 2018

	Bacs	CHAPS	Faster Payments	Cheque & Credit Paper Clearing	BBCCL	Cheque & Credit Image Clearing System
The Access Bank UK ^(a)	✓		✓			✓
AIB Group (UK) ^(b)	✓				✓	✓
Atom Bank ^(c)	✓		✓			
Bank of America		✓				
The Bank of New York Mellon		✓				
Bank of China		✓				
Bank of England ^(d)	✓	✓		✓		
Bank of Ireland (UK)					✓	✓
Bank of Scotland	✓	✓		✓		
Barclays Bank ^(e)	✓	✓	✓			✓
Barclays Bank UK ^(e)	✓	✓	✓	✓		✓
BFC Bank ^(f)			✓			
BNP Paribas SA		✓				
Citibank NA	✓	✓	✓			
ClearBank	✓	✓	✓			
CLS Bank		✓				
Clydesdale Bank	✓	✓	✓	✓		✓
The Co-operative Bank	✓	✓	✓	✓		✓
Coutts & Co	✓					
CreDec ^(g)			✓			
Deutsche Bank AG		✓				
Ebury ^(h)			✓			
Elavon ⁽ⁱ⁾		✓	✓			
Habib Bank Zurich						✓
Handelsbanken ^(j)		✓				
HSBC Bank ^(k)	✓	✓	✓	✓		
HSBC UK Bank ^(k)	✓	✓	✓			✓
ING ^(l)		✓				
ipagoo ^(m)	✓	✓	✓			
J.P. Morgan Chase Bank N.A.		✓				
LCH Ltd ⁽ⁿ⁾		✓				
Lloyds Bank ^(o)	✓	✓	✓	✓		✓
Metro Bank			✓			
Monzo			✓			
National Westminster Bank	✓	✓		✓		✓
Nationwide Building Society	✓		✓	✓		✓
Northern Bank ^(p)	✓	✓	✓		✓	✓
Northern Trust		✓				
PrePay Solutions ^(q)			✓			
The Royal Bank of Scotland ^(r)	✓	✓	✓	✓		✓
Santander UK	✓	✓	✓	✓		✓
Societe Generale		✓				
Standard Chartered Bank		✓				
Starling Bank ^(s)	✓		✓			
State Street		✓				
TransferWise ^(t)			✓			
TSB	✓		✓			✓
Turkish Bank	✓		✓			✓
UBS		✓				
Ulster Bank					✓	
Virgin Money ^(u)	✓	✓	✓			✓
Number of Participants	25	33	28	11	4	18

^(a) The Access Bank UK became a Participant of Bacs in June 2018, a Participant of ICS in July 2018 and a Directly Connected Participant of FPS in September 2018.

^(b) AIB Group (UK) trading as First Trust for BBCCL membership.

^(c) Atom Bank became a Participant of Bacs in December 2018.

^(d) As of June 2016 the Bank of England has not been an active member of the Paper Clearing Scheme.

^(e) Barclays' legal separation for structural reform took place for FPS in March 2018 and for Bacs, CHAPS and Cheque & Credit in April 2018. Participation changed from two operational flows (under a single legal entity) to two legal entities - Barclays Bank plc and Barclays Bank UK plc.

^(f) BFC became a Directly Connected Participant of FPS in January 2018.

^(g) CreDec became a Directly Connected Participant of FPS in November 2018.

^(h) Ebury became a Directly Connected Participant of FPS in March 2018.

⁽ⁱ⁾ Elavon became a Direct Participant of CHAPS in February 2018 and a Directly Connected Participant of FPS in August 2018.

^(j) Svenska Handelsbanken changed its legal entity for CHAPS participation in December 2018.

^(k) HSBC's legal separation for structural reform took place in Bacs, CHAPS and FPS in July 2018. Participation changed from two operational flows (under a single legal entity) to two legal entities - HSBC Bank and HSBC UK Bank.

^(l) ING became a Direct Participant of CHAPS in May 2018.

^(m) Ipagoo became a Directly Connected Participant of FPS in April 2018, a Direct Participant of Bacs in May 2018 and a Direct Participant of CHAPS in August 2018.

⁽ⁿ⁾ LCH Ltd became a Direct Participant of CHAPS in March 2018.

^(o) Lloyds Bank directly connected participation includes Bank of Scotland for Faster Payments.

^(p) Danske Bank is a trading name of Northern Bank Limited.

^(q) PrePay Solutions became a Directly Connected Participant of FPS in December 2018.

^(r) The Royal Bank of Scotland directly connected participation includes Coutts & Co and National Westminster Bank for Faster Payments.

^(s) Starling Bank became a Participant of Bacs in February 2018.

^(t) TransferWise became a Directly Connected Participant of FPS in April 2018, replacing Raphaels in April 2018.

^(u) Virgin Money became a Direct Participant of CHAPS in July 2018 and a Directly Connected Participant of FPS in October 2018.

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Inter-Bank

		Volume (000s)				Value (£millions)			
		2017	2018	Change 2018 on 2017		2017	2018	Change 2018 on 2017	
Bacs	Direct Credits	2,120,519	2,088,189	-32,330	-2%	3,619,384	3,631,398	12,014	-
	Direct Debits	4,226,661	4,355,840	129,179	3%	1,304,647	1,327,269	22,622	2%
	Total Bacs	6,347,180	6,444,029	96,849	2%	4,924,030	4,958,667	34,636	1%
CHAPS	Retail and Commercial (MT103)	32,396	38,280	5,884	18%	22,083,495	23,277,342	1,193,847	5%
	Wholesale Financial (MT202)	9,256	10,242	986	11%	61,998,982	60,236,600	-1,762,383	-3%
	Total CHAPS	41,652	48,522	6,870	16%	84,082,477	83,513,941	-568,536	-1%
Faster Payments	Standing Order Payments	372,866	394,431	21,565	6%	122,314	130,372	8,057	7%
	Single Immediate Payments	1,081,096	1,384,711	303,615	28%	874,684	1,045,707	171,023	20%
	Forward Dated Payments	199,315	260,982	61,667	31%	401,476	531,714	130,239	32%
	Return Payments	2,530	2,676	146	6%	1,217	1,285	68	6%
	Total Faster Payments	1,655,807	2,042,800	386,993	23%	1,399,691	1,709,078	309,387	22%
C&CCC	Paper Clearings								
	Cheques	292,961	234,935	-58,026	-20%	356,438	299,734	-56,705	-16%
	Credits	17,261	13,276	-3,984	-23%	11,733	7,530	-4,203	-36%
	Euro debits ^(a)	55	31	-24	-44%	1,139	940	-199	-17%
	Total Paper	310,276	248,242	-62,035	-20%	369,310	308,203	-61,107	-17%
	ICS ^(b)								
	Cheques (RTPs)	16	19,482	19,466	-	12	26,663	26,651	-
	Credits (ITPs)	0	301	301	-	0	1,025	1,025	-
	Total ICS	16	19,783	19,767	-	12	27,688	27,676	-
	Total Cheque & Credit	310,293	268,025	-42,268	-14%	369,322	335,891	-33,430	-9%
BBCCL	Paper Clearings								
	Cheques	9,739	7,586	-2,153	-22%	16,664	13,441	-3,223	-19%
	Credits	180	133	-47	-26%	1,256	1,011	-245	-20%
Total BBCCL	9,918	7,719	-2,199	-22%	17,920	14,452	-3,468	-19%	
Total	8,364,849	8,811,095	446,246	5%	90,793,441	90,532,029	-261,411	-	

Cheque & Credit Clearing Company - own bank items (Paper Clearings) ^(c)

Inter-branch cheques	56,603	47,474
Inter-branch euro debits	22	14
Inter-branch credits	36,755	33,797
In-house cheques	41,592	33,458
In-house credits	125,829	109,909
Total Inter-branch and In-house (Paper Clearings)	260,803	224,653

Northern Ireland (BBCCL): own bank items (Paper Clearings) ^(c)

Own bank cheques	4,400	3,437
Own bank credits	6,487	5,370
Total own bank (Paper Clearings)	10,887	8,807

The total number of sterling cheques used to make payments or acquire cash across the whole of the UK was 346.4 million in 2018 (405.3 million in 2017).

Notes:

(a) The C&CCC ceased operation of the euro debit clearing, which processed cheques drawn in euros on UK banks, on 10 September 2018.

(b) ICS is the Image Clearing System that enables digital images of cheques and credits to be exchanged between participant banks and building societies across the whole of the UK for clearing and settlement. It is gradually replacing the Paper Clearing System. It was launched on 30 October 2017 and because very small volumes were processed through the system in 2017 it is not appropriate to show a % increase in volumes between 2017 and 2018. Request to Pay (RTP) is the message type for cheques and Instruction to Pay (ITP) is the message type for credits.

(c) Own bank includes inter-branch and in-house items.



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Inter-Bank

		Average Daily Volume (000s)		Average Daily Value (£mn)		Average Value per Item	
		2017	2018	2017	2018	2017	2018
Bacs	Direct Credits	8,415	8,254	14,363	14,353	1,707	1,739
	Direct Debits	16,772	17,217	5,177	5,246	309	305
	Total Bacs	25,187	25,470	19,540	19,599	776	769
CHAPS	Retail and Commercial (MT103)	129	151	87,633	92,005	681,668	608,076
	Wholesale Financial (MT202)	37	40	246,028	238,089	6,698,524	5,881,322
	Total CHAPS	165	192	333,661	330,095	2,018,696	1,721,143
Faster Payments	Standing Order Payments	1,480	1,559	485	515	328	331
	Single Immediate Payments	2,962	3,794	2,396	2,865	809	755
	Forward Dated Payments	546	715	1,100	1,457	2,014	2,037
	Return Payments	7	7	3	4	481	480
	Total Faster Payments					845	837
C&CCC	Paper Clearings						
	Cheques	1,163	929	1,414	1,185	1,217	1,276
	Credits	68	52	47	30	680	567
	Euro debits ^(a)	0.2	0.1	4.5	3.7	20,773	30,762
	Total Paper	1,231	981	1,466	1,218	1,190	1,242
	ICS ^(b)						
	Cheques (RTPs)	0.1	77.0	0.0	105.4	731	1,369
	Credits (ITPs)	0.0	1.2	0.0	4.1	-	3,407
	Total ICS	0	78	0	109	731	1,400
	Total Cheque & Credit	1,231	1,059	1,466	1,328	1,190	1,253
BBCL	Paper Clearings						
	Cheques	39	30	66	53	1,711	1,772
	Credits	1	1	5	4	6,996	7,615
Total BBCL	39	31	71	57	1,807	1,872	
Total						10,854	10,275
Cheque & Credit Clearing Company - own bank items (Paper Clearings) ^(c)							
	Inter-branch cheques	225	188				
	Inter-branch euro debits	0.1	0.1				
	Inter-branch credits	146	134				
	In-house cheques	165	132				
	In-house credits	499	434				
	Total Inter-branch and In-house (Paper Clearings)	1,035	888				
Northern Ireland (BBCL): own bank items (Paper Clearings) ^(c)							
	Own bank cheques	17	14				
	Own bank credits	26	21				
	Total own bank (Paper Clearings)	43	35				

Notes:

(a) The C&CCC ceased operation of the euro debit clearing, which processed cheques drawn in euros on UK banks, on 10 September 2018.

(b) ICS is the Image Clearing System that enables digital images of cheques and credits to be exchanged between participant banks and building societies across the whole of the UK for clearing and settlement. It is gradually replacing the Paper Clearing System. It was launched on 30 October 2017 and because very small volumes were processed through the system in 2017 it is not appropriate to show a % increase in volumes between 2017 and 2018. Request to Pay (RTP) is the message type for cheques and Instruction to Pay (ITP) is the message type for credits.

(c) Own bank includes inter-branch and in-house items.

