

**B** Cheque & credit transactions  
**D** Same-day payments: CHAPS

\* Figures for 2017 refer to value of transactions and are not comparable to previous years which refer to value of cash acquired.

## A Bacs Direct Credits and Direct Debits

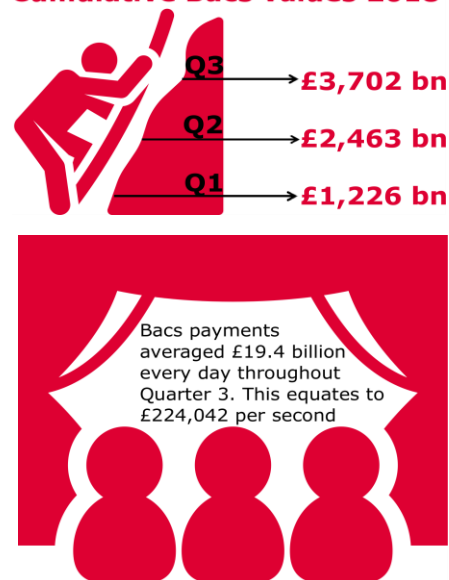


• While Bacs volumes and values continue to grow on an annual basis, these rates of growth have slowed down over time. For example the annual growth rate for volumes has declined from 3.5% in Q3 2016 to 1.5% in Q3 2018 while that of values has declined from 4.4% to 1.0%. Meanwhile volumes grew by 1.2% when compared to the same quarter a year ago to reach 1,606 million in Q3 2018. This corresponded to a 0.8% decline in the value to £1,239 billion. The average Bacs transaction fell 1.9% to £771 when compared to Q3 2017.

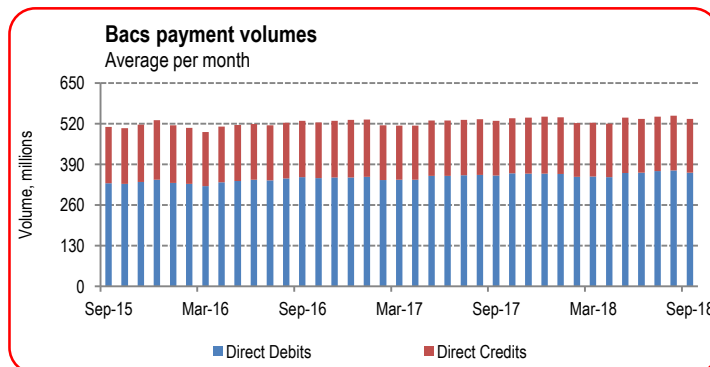
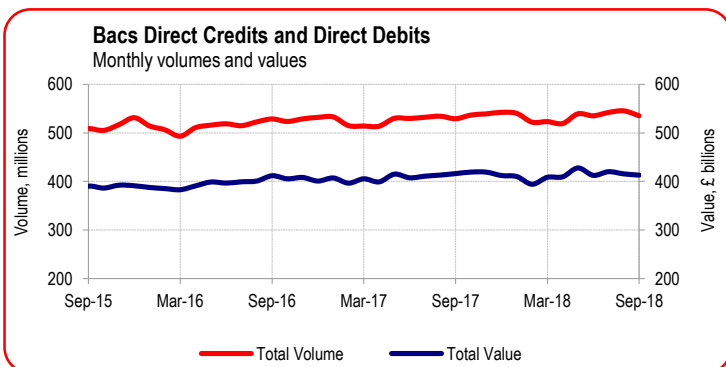
• Consumers use Direct Debits to pay some or all of their regular bills. The number of Direct Debit payments equated to 1,091 million payments in Q3 2018 after growing 2.7% on Q3 2017, while the corresponding value grew by 1.1% to reach £333 billion. Comparing Q2 2018 with Q2 2017, there was a 1.5% decline in the average payment value for Direct Debits to £305. Direct Debits made up 68% of total Bacs payments by volume and 27% by value in Q3 2018, similar proportions to a year earlier.

• The vast majority of employees are paid via Bacs Direct Credit. Also, the government uses Bacs Direct Credit to pay nearly all state benefits and pensions in the UK. When compared to the same quarter a year ago the volume and value of Direct Credits declined by 2.0% and 1.5% respectively to 515 million payments and £905 billion in Q3 2018 with a corresponding increase of 0.6% in the average transaction value, to £1,757.

### Cumulative Bacs values 2018



Total						of which			
						Bacs Direct Credits	Bacs Direct Credits	Direct Debits	
						Volume	Value	Volume	Value
						000s	£ mn	000s	£ mn
		Volume	%	Value	%				
		000s	growth <sup>1</sup>	£ mn	growth <sup>1</sup>				
2015	Q1	1,444,845	3.1%	1,110,686	4.3%	524,051	823,941	920,794	286,745
	Q2	1,513,449	3.4%	1,135,535	4.4%	537,920	832,365	975,529	303,171
	Q3	1,527,500	3.6%	1,170,662	4.1%	538,190	861,475	989,310	309,187
	Q4	1,594,249	4.1%	1,173,328	3.8%	571,536	857,035	1,022,713	316,293
2016	Q1	1,479,710	3.8%	1,148,920	3.8%	518,473	849,626	961,237	299,294
	Q2	1,556,533	3.4%	1,189,898	4.0%	535,129	873,828	1,021,404	316,070
	Q3	1,586,365	3.5%	1,235,233	4.4%	540,738	912,695	1,045,627	322,538
	Q4	1,596,138	2.3%	1,202,498	4.1%	552,495	878,164	1,043,643	324,333
2017	Q1	1,542,648	2.7%	1,216,336	4.7%	519,264	897,292	1,023,384	319,044
	Q2	1,589,367	2.5%	1,222,543	4.1%	528,945	898,127	1,060,421	324,416
	Q3	1,587,889	1.6%	1,248,525	3.0%	526,151	919,311	1,061,738	329,214
	Jul	511,171	2.8%	399,381	3.8%	170,613	293,014	340,558	106,367
	Aug	540,432	2.3%	418,792	3.5%	178,959	307,996	361,473	110,796
	Sep	536,286	1.6%	430,352	3.0%	176,579	318,302	359,707	112,050
	Q4	1,627,276	2.1%	1,236,626	3.1%	546,158	904,652	1,081,117	331,973
2018	Q1	1,570,062	1.5%	1,225,723	1.8%	518,199	903,192	1,051,863	322,531
	Q2	1,605,809	1.2%	1,237,748	1.5%	516,120	905,098	1,089,689	332,650
	Q3	1,606,167	1.5%	1,238,863	1.0%	515,488	905,874	1,090,679	332,989
	Jul	536,288	1.7%	428,116	2.2%	170,800	316,683	365,488	111,433
	Aug	563,361	1.8%	412,071	1.5%	181,971	298,117	381,390	113,954
	Sep	506,518	1.5%	398,675	1.0%	162,717	291,073	343,801	107,602



<sup>1</sup> Per cent growth rates relate to rolling 12 months.

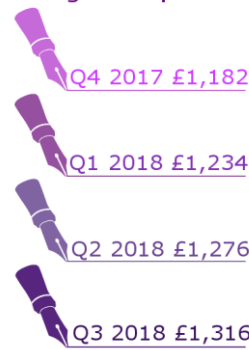
## B Cleared cheques and paper credits

• The Cheque statistics relate to items going through the Paper Clearing System. 57 million cheques were cleared for a value of £75 billion during the quarter. In the year to Q3 2018 volumes declined at a rate of 16% while values fell by 12%. These annual rates of change have remained broadly unchanged since Q1 2016. The average cheque value has risen over time, with volumes falling at a faster rate than values; £1,182 in Q4 2017 compared to £1,316 in Q3 2018. These statistics do not include items being processed through the Image Clearing System (ICS). In September 2018 1.21 million items were processed through the ICS with a value of £920 million.

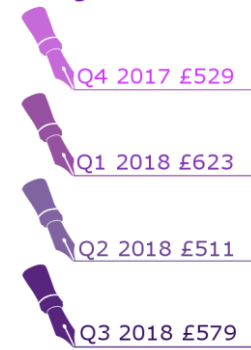
• Despite the decline in usage, cheques still remain valued by those who choose to use them as they provide a convenient and secure method of payment when the recipient's bank account details are unknown. Cheques are also seen as a convenient way to pay tradespeople, manage cash flow, and are a popular way to pay utility bills, clubs and societies.

• The Credit statistics relate to items going through the Paper Clearing System. 3.2 million paper credits were cleared for a total of £1.9 billion in Q3 2018. On an annual basis, the volume and value of paper credits declined by 23% and 40%, compared with declines of 20% and 15% in Q3 2017. These statistics do not include credit items being processed through the ICS.

### Average Cheque Value



### Average Credit Value

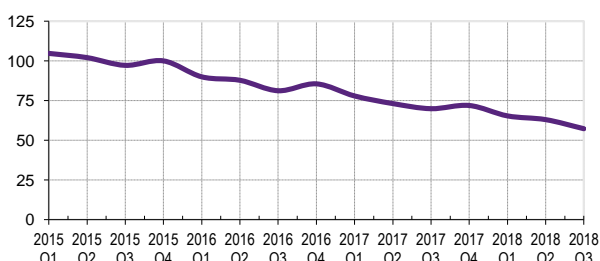


### Peak Day Cheque Cleared

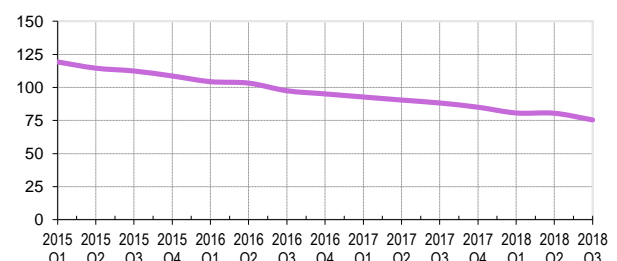


Cheques <sup>1</sup>						Credits					
		Volume		Value		Volume		Value			
		000s	% growth <sup>2</sup>	£ mn	% growth <sup>2</sup>	000s	% growth <sup>2</sup>	£ mn	% growth <sup>2</sup>		
2015	Q1	104,762	-12%	119,257	-7%	7,734	-15%	4,726	-10%		
	Q2	102,102	-13%	114,547	-7%	7,154	-17%	4,029	-10%		
	Q3	97,227	-13%	112,404	-9%	6,863	-18%	4,462	-9%		
	Q4	100,042	-13%	108,629	-9%	6,298	-20%	3,999	-12%		
2016	Q1	89,999	-13%	104,345	-11%	5,881	-21%	4,259	-11%		
	Q2	87,813	-14%	103,240	-11%	5,545	-23%	3,516	-12%		
	Q3	81,240	-14%	97,470	-11%	5,377	-23%	3,750	-14%		
	Q4	85,569	-15%	95,104	-12%	5,054	-22%	3,499	-13%		
2017	Q1	77,939	-15%	92,760	-12%	4,883	-20%	3,886	-13%		
	Q2	73,152	-15%	90,444	-12%	4,385	-20%	3,036	-13%		
	Q3	69,923	-15%	88,216	-11%	4,183	-20%	2,796	-15%		
	Jul	23,915	-14%	30,419	-11%	1,452	-19%	1,290	-12%		
	Aug	22,940	-15%	29,639	-12%	1,403	-20%	861	-13%		
	Sep	23,068	-15%	28,157	-11%	1,328	-20%	645	-15%		
	Q4	71,947	-15%	85,018	-11%	3,809	-21%	2,015	-22%		
2018	Q1	65,384	-16%	80,671	-11%	3,703	-23%	2,306	-31%		
	Q2	63,039	-15%	80,461	-11%	3,405	-23%	1,739	-38%		
	Q3	57,307	-16%	75,427	-12%	3,247	-23%	1,880	-40%		
	Jul	20,872	-15%	27,427	-11%	1,188	-23%	822	-40%		
	Aug	18,628	-15%	24,908	-12%	1,063	-24%	546	-41%		
	Sep	17,807	-16%	23,091	-12%	995	-23%	512	-40%		

**Cheque volumes** Millions per quarter



**Cheque values** £ Billions per quarter



<sup>1</sup> Inter-bank payments only. This does not include Image Clearing Items of 1.21 million with a value of £920 million for September 2018.

<sup>2</sup> Per cent growth rates relate to 12 rolling months.

## C Real-time payments: Faster Payments



• 2018 marks 10 years since the Faster Payments service was introduced. Growth in transactions during this time has been driven by technological and regulatory changes, with a growing number of direct participants alongside an increase in the digitalisation of the economy. In 2008 there were seven directly connected participants and at the end of Q3 2018 there were 23 including non-banks. There were 511 million Faster Payments processed for £431 billion in Q3 2018. When compared to Q3 2017 volumes grew by 24% while values grew by 22% and the average value fell 1.9% to £844.

• The vast majority of Faster Payments are accounted for by Single Immediate Payments (SIPs), with over two thirds of volumes and 61% of values in Q3 2018. Following growth rates of 29% and 19% on Q3 2017, SIP volumes and values reached 347 million and £263 billion respectively, with the average value falling from £824 to £760 during the period.

• Forward-dated payments (FDPs) are one-off payments sent and received on a pre-arranged date, set-up by the customer in advance. They are typically used to pay bills and rent etc. In Q3 2018, there were 66 million FDP transactions with a value of £135 billion following increases of 35% and 34% from a year ago. FDPs accounted for 13% of Faster Payments by volume and 31% by value in the current quarter. The average value fell by £16 to £2,043 when compared to Q3 2017.

• Standing orders (SOPs) tend to be used in circumstances where a regular payment of a fixed amount must be made, for example, for paying memberships or making regular transfer payments from current accounts to savings accounts. SOPs, including scheme returns, accounted for 19% of Faster Payments by volume and 7.5% by value. Following growth rates of 6.1% and 5.5% on Q3 2017, SOP volumes and values reached 98 million and £32 billion respectively.

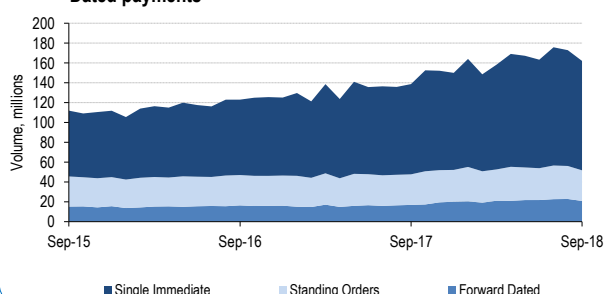
   
London 2017 New Year's Eve fireworks lasted for 12 minutes, in this time £33,907,613 worth of Faster Payments were transferred. This was made up of 40,336 payments.



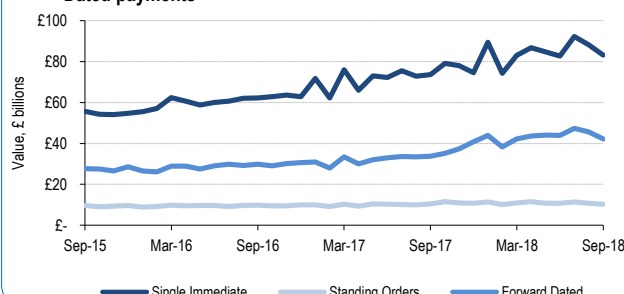
  
**Budget 29th October 2018**  
Philip Hammond's budget speech lasted 70 minutes. During this time, £251,127,758 worth of Faster Payments were transferred. This was made up of 302,160 payments.

Payment volumes					Payment values				
of which					of which				
		Total <sup>1</sup> 000s	% growth <sup>2</sup>	Standing orders (inc Returns & Scheme Returns) 000s	Forward Dated (inc Corporate Bulk) 000s	Single Immediate 000s			
							Total <sup>1</sup> £ mn	% growth <sup>2</sup>	Standing orders (inc Returns & Scheme Returns) £ mn
									Forward Dated (inc Corporate Bulk) £ mn
									Single Immediate
2015	Q1	293,837	13%	85,086	39,374	169,377	245,311	16%	25,630
	Q2	306,304	13%	86,091	41,881	178,333	255,296	15%	27,520
	Q3	315,529	13%	86,676	44,022	184,830	266,377	15%	27,102
	Q4	331,364	13%	88,167	45,062	198,135	273,734	15%	28,065
2016	Q1	335,820	14%	88,500	43,010	204,311	284,332	15%	27,905
	Q2	352,440	14%	89,691	45,642	217,107	293,808	15%	28,918
	Q3	362,189	15%	90,901	47,484	223,803	302,639	15%	28,808
	Q4	375,644	14%	91,099	47,540	237,005	308,228	14%	29,105
2017	Q1	389,603	15%	92,284	46,639	250,680	331,611	14%	29,518
	Q2	400,386	14%	92,497	47,083	260,806	336,264	14%	30,053
	Q3	410,989	14%	92,540	48,967	269,482	353,552	15%	30,732
	Jul	136,433	15%	30,862	15,808	89,763	119,295	15%	10,153
	Aug	135,849	14%	30,826	16,375	88,648	116,249	15%	10,063
	Sep	138,707	14%	30,852	16,784	91,071	118,008	15%	10,516
	Q4	454,829	16%	98,076	56,626	300,127	378,264	18%	33,228
2018	Q1	470,954	17%	97,978	60,449	312,527	403,546	19%	32,440
	Q2	499,770	20%	99,380	64,270	336,120	418,814	22%	33,086
	Q3	510,897	23%	98,157	66,164	346,576	431,051	23%	32,407
	Jul	175,860	21%	33,959	22,585	119,317	150,850	22%	11,354
	Aug	172,943	23%	33,308	22,771	116,864	144,568	23%	10,735
	Sep	162,095	23%	30,891	20,808	110,396	135,634	23%	10,318

Number of Standing order, Single Immediate and Forward Dated payments



Value of Standing order, Single Immediate and Forward Dated payments



<sup>1</sup> Scheme limit increased from £100,000 to £250,000 in November 2015.

<sup>2</sup> Per cent growth rates relate to 12 rolling months.

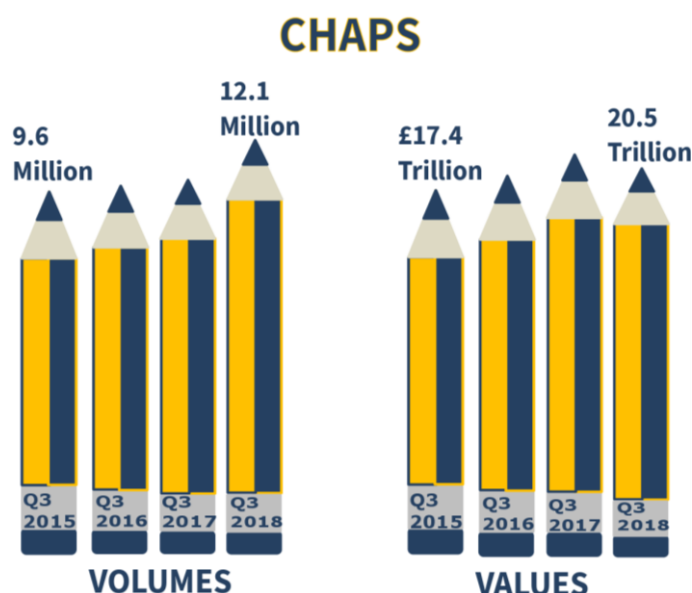
## D Same-day payments: CHAPS



• The acceleration in the growth rate of CHAPS volumes has continued for a year, with an increase of 18% in Q3 2018 over four times higher than in Q3 2017. CHAPS volumes in Q3 2018 stood at 12.1 million, 19% higher than the same period a year earlier. These rising trends have partially been caused by structural reform. This is the ring-fencing of the largest banks, to protect the retail services they provide from wholesale and risk taking activities elsewhere in their banking group. Daily volumes averaged 189,799 payments during the quarter, 19% higher than Q3 2017.

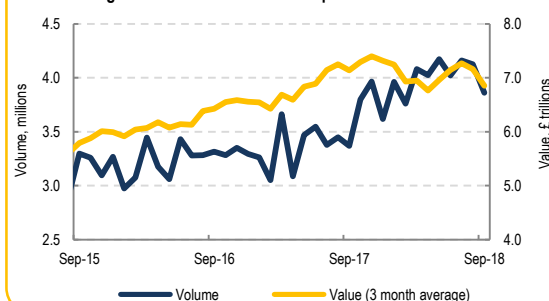
• CHAPS values stood at £20.5 trillion in Q3, 4.0% less than a year earlier but 18% more than Q3 2015. Daily values averaged £321 billion during Q3 2018, also representing a 4.0% decline on Q3 2017. During the latest 12 month period, the annual growth of values has remained positive but has fallen to 3.6% in the year to Q3 2018 from 11% a year earlier.

• These trends in volume and value, particularly over the past year, have resulted in a decline in average (mean) CHAPS payment size. For example, when compared to Q3 2017, the average size declined by 19% to £1.7 million, a record low. This is partly because most of the new payments now settling in CHAPS as a result of structural reform are lower-value transfers between corporate customers of the non-ring fenced bank and retail customers of the ring-fenced bank within the same banking group. Prior to structural reform, these transactions would have been internalised within the same bank rather than being made through CHAPS. In contrast, the higher-value payments between corporate customers remain internalised within the non-ring fenced entity.

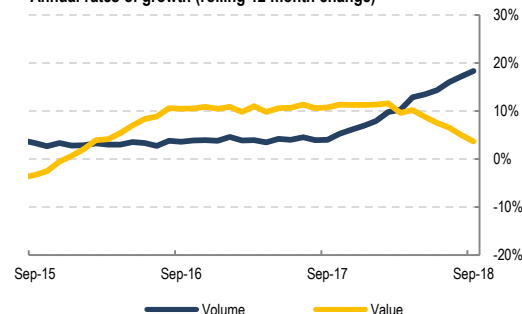


Volumes				Values		Working Days per Period
		000s	% growth <sup>1</sup>			
				£ mn	% growth <sup>1</sup>	
2015	Q1	9,082	4%	16,857,471	-5%	63
	Q2	9,285	4%	16,206,916	-5%	61
	Q3	9,561	3%	17,368,637	-3%	65
	Q4	9,620	3%	17,978,153	1%	64
2016	Q1	9,492	3%	18,213,474	4%	62
	Q2	9,669	3%	18,427,735	8%	63
	Q3	9,878	4%	19,269,756	10%	65
	Q4	9,925	4%	19,662,662	10%	63
2017	Q1	9,975	4%	20,064,979	11%	64
	Q2	10,104	4%	20,662,901	11%	61
	Q3	10,194	4%	21,403,494	11%	64
	Jul	3,378	5%	7,067,389	11%	21
	Aug	3,449	4%	7,220,179	11%	22
	Sep	3,367	4%	7,115,926	11%	21
	Q4	11,379	7%	21,951,103	11%	63
2018	Q1	11,803	10%	20,843,232	10%	63
	Q2	12,217	14%	21,423,574	7%	62
	Q3	12,147	18%	20,549,847	4%	64
	Jul	4,161	16%	7,159,368	6%	22
	Aug	4,125	17%	6,853,592	5%	22
	Sep	3,861	18%	6,536,887	4%	20

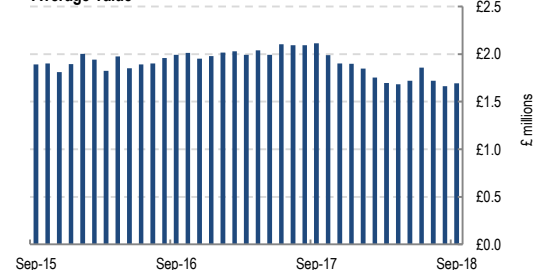
**CHAPS payment volumes and values**  
Average values and actual volumes per month



**CHAPS payment volumes and values**  
Annual rates of growth (rolling 12 month change)



**CHAPS payments**  
Average value



<sup>1</sup> Growth rates are based on 12 rolling months.



## E Cash machines withdrawals <sup>1</sup>

Please note that the data in this table show the total number and value of ALL withdrawals processed at UK cash machines, including those not handled by LINK, i.e. withdrawals where the card issuer and ATM owner is the same institution, known as on-us. Those handled by LINK are known as not-on-us.

- There were 64,362 cash machines in operation at the end of Q3 a 1.6% decline on Q2 and the lowest total since Q3 2011. The number and value of withdrawals stood at 616 million and £44.0 billion, small change on the previous quarter.

- The number of BBS machines fell by 1.3% during the quarter to 27,210; their lowest total in the decade so far. Despite this decline in the cash machine estate, BBS machines still make up the vast majority of withdrawals. In the year to Q3 2018, they made up 62% of withdrawals by volume and 69% by value. In the current quarter there were 377 million withdrawals at BBS machines with a corresponding value of £29.6 billion.

- The number of IAD machines fell by 1.7% to 37,152. Despite the decline in transactions for the total estate, the number of withdrawals at IAD machines remained at its highest ever level of 238 million while the value rose 2.0% to a new high of £14.4 billion.

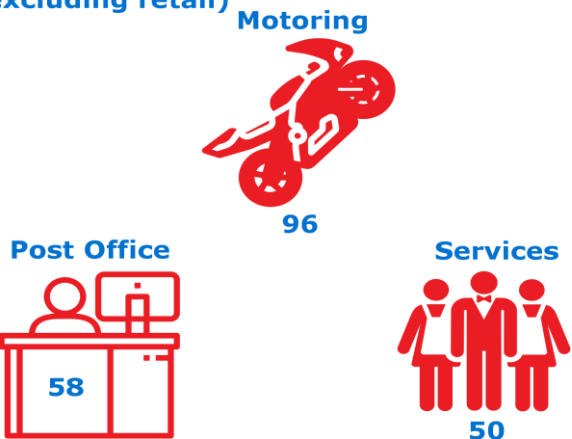
- The number of on-site cash machines declined 1.3% to a new low of 16,573. Meanwhile volume of withdrawals at these machines fell 2.9% to 164 million while the value declined 1.8% to £13.4 billion, also representing new lows. The number of off-site machines fell by 1.7% during the quarter to 47,789 with associated transactions accounting for 73% of the total by volume and 70% of the total value.

- The number of free-to-use machines fell by 1.2% to 52,840 while a 3.3% decline reduced the number of pay-to-use machines to 11,522. Pay-to-use machines account for 24% of off-site machines, down from 29% a year ago and also accounted for 2.1% of transactions by volume and 1.9% by value.

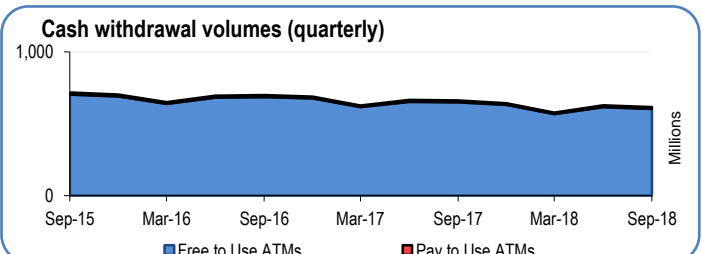
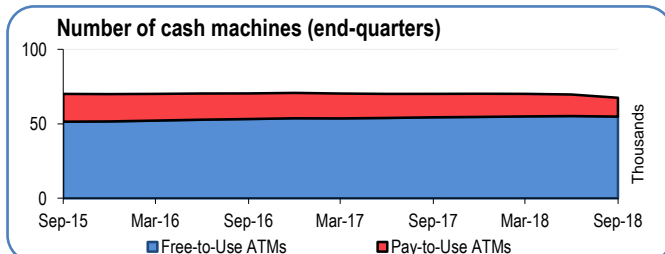
**The only sector increase in cash machines (excluding retail)**



**Largest declines in cash machines by sector (excluding retail)**



Number of cash machines at period end			Cash withdrawals					
			Volume (inc 'on-us' transactions)		Value (inc 'on-us' transactions)			Number of withdrawals where a fee is charged to the cardholder
			mn	% growth increase <sup>2</sup>	£ mn	% growth increase <sup>2</sup>	Average value £	
2015	Q1	70,006	666	-3.1%	44,598	-0.8%	67	1.9%
	Q2	69,876	711	-2.6%	47,975	-0.2%	67	2.0%
	Q3	70,018	717	-2.3%	50,940	1.0%	71	2.1%
	Q4	70,270	703	-1.2%	50,800	2.6%	72	1.9%
2016	Q1	70,330	650	-1.2%	44,945	2.5%	69	1.9%
	Q2	70,682	695	-1.3%	48,983	2.9%	70	2.0%
	Q3	70,254	699	-1.7%	49,984	1.5%	71	2.1%
	Q4	70,020	689	-2.3%	50,168	-0.1%	73	1.9%
2017	Q1	70,045	627	-2.6%	44,305	-0.6%	71	1.8%
	Q2	70,114	666	-3.1%	47,656	-1.8%	72	2.1%
	Q3	70,045	662	-3.8%	48,188	-2.3%	73	2.0%
	Q4	69,603	643	-5.0%	47,315	-3.4%	74	1.8%
2018	Q1	67,419	577	-6.0%	41,080	-4.8%	71	1.8%
	Q2	65,379	628	-6.4%	44,240	-5.9%	70	2.1%
	Q3	64,362	616	-6.8%	43,966	-7.2%	71	2.1%



<sup>1</sup> On-us transactions amounted to some 16% of the total volume and 21% of the total value at the end of Q3 2018.

<sup>2</sup> Per cent growth rates relate to 12 rolling months.