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## Summary of key payment statistics for Q2 2017

**Bacs:** 1,589 million Bacs payments were made during the quarter with 67% of these comprised of direct debits. This corresponded with total a total of £1,223 billion Bacs payments made with direct debits accounting for 27% of the value.

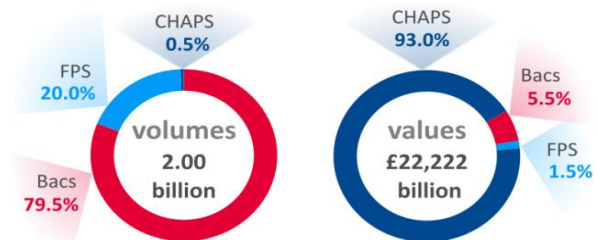
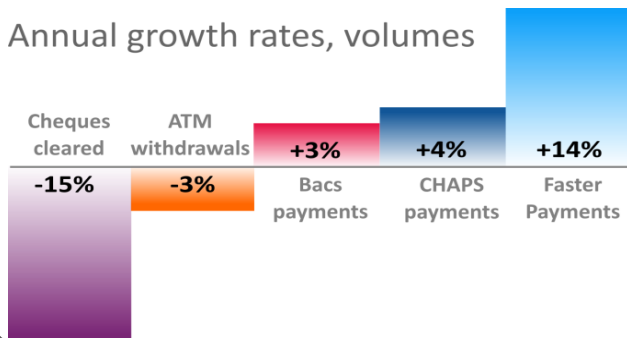
**Cleared cheques and paper credits:** An average of 1.2 million cheques were cleared per day during Q2 with an average value of £1,236 per cheque.

**Faster Payments:** Faster Payments processed amounted to £336 billion during the quarter. Single Immediate Payments, Forward Dated Payments and Standing Orders made up 63%, 28% and 9% of this total respectively.

**CHAPS:** Approximately £20.7 trillion was processed in Q2, up from £18.4 trillion in Q2 2016. Volumes averaged almost 166,000 payments per day, up from 153,000 in Q2 2016.

**Cash withdrawals:** £47.7 billion was withdrawn from cash machines, spread over 666 million withdrawals.

### Annual growth rates, volumes



Automated payments, volumes and values

### Cash and cheque transactions

Number of	Q2 2017	Annual rate of growth <sup>1</sup>	Total value of	Q2 2017	Annual rate of growth <sup>1</sup>
Cash machine withdrawals	666 mn	-3.1%	Cash machine withdrawals	£48 bn	-1.8%
Inter-bank cheques cleared	73 mn	-15.2%	Inter-bank cheques cleared	£90 bn	-12.3%
Number of	Annual Figures (2016)	Annual rate of growth <sup>1</sup>	Total value of	Annual Figures (2016)	Annual rate of growth <sup>1</sup>
Cash payments	15,359 mn	-10.7%	Cash payments	£240 bn	-5.0%
Cash machine withdrawals	2,733 mn	-2.3%	Cash machine withdrawals	£194 bn	-0.1%
Cheque transactions <sup>2</sup>	477 mn	-14.5%	Cheque transactions <sup>2</sup>	£551 bn	-11.7%
Inter-bank cheques cleared	345 mn	-14.7%	Inter-bank cheques cleared	£400 bn	-12.0%

### Automated payments

Number of	Q2 2017	Annual growth <sup>1</sup>	Total value of	Q2 2017	Annual growth <sup>1</sup>
Bacs payments	1,589 mn	2.5%	Bacs payments	£1,223 bn	4.1%
Faster Payments	400 mn	14.4%	Faster Payments	£336 bn	14.4%
CHAPS payments	10 mn	4.0%	CHAPS payments	£20,663 bn	10.7%
Number of	Annual Figures (2016)	Annual growth <sup>1</sup>	Total value of	Annual Figures (2016)	Annual growth <sup>1</sup>
Bacs payments	6,219 mn	2.3%	Bacs payments	£4,777 bn	4.1%
Faster Payments	1,426 mn	14.4%	Faster Payments	£1,189 bn	14.2%
CHAPS payments	39 mn	3.8%	CHAPS payments	£75,574 bn	10.5%

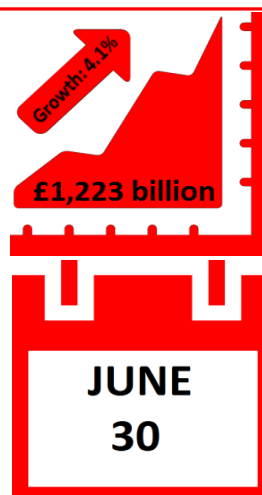
<sup>1</sup> Per cent growth rates relate to rolling 12 month periods.

<sup>2</sup> Cheque transactions include inter-bank, inter-branch and in-house cheque items and includes cash acquisition. However, it excludes euro & US dollar cheques, which are processed by C&CCC through separate systems.

## A Bacs Direct Credits and Direct Debits



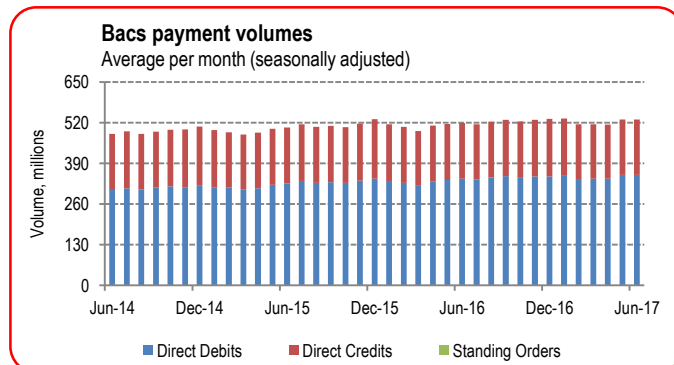
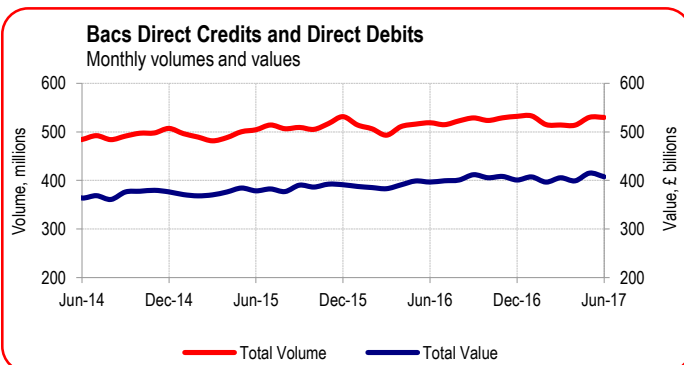
- Total bacs volumes reached 1,589 million in Q2 2017, up 2.5% annually. Values were up 4.1% to £1,223 billion.
- More than 111 million payments were processed in just one day at the end of June, surpassing the previous daily high of 109 million in September 2016.
- The number of Direct Debit payments rose by 4.5% annually to reach 1.1 billion payments.
- Direct Debit payments grew by 4.0% to £324 billion, with an average payment value of £306
- The volume of Direct Credits stood at 529 million payments, down from 535 million in Q2 2016.
- The value of Direct Credits amounted to £898 billion during the quarter, which raised the average value a payment to approximately £1,700.



**Average Payment Value: £769**

**Record day: 111 million payments**


		Total				of which		Direct Debits	
		000s	% growth <sup>1</sup>	Value £ mn	% growth <sup>1</sup>	Bacs Direct Credits Volume 000s	Bacs Direct Credits Value £ mn	Volume 000s	Value £ mn
2014	Q1	1,392,533	1.7%	1,071,515	4.6%	526,526	796,933	866,007	274,582
	Q2	1,452,989	2.2%	1,091,258	5.3%	537,178	801,005	915,812	290,252
	Q3	1,474,181	2.3%	1,128,560	4.9%	539,536	830,486	934,646	298,075
	Q4	1,521,526	2.6%	1,129,213	4.8%	565,996	824,856	955,530	304,357
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
	Apr	529,075	3.6%	399,735	3.6%	182,933	292,328	346,142	107,407
	May	499,223	3.8%	383,660	4.1%	172,803	281,476	326,420	102,184
	Jun	528,235	3.4%	406,503	4.0%	179,393	300,025	348,842	106,479
	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
	Q2	1,589,367	2.5%	1,222,543	4.1%	528,945	898,127	1,060,421	324,416
	Apr	503,497	2.0%	389,187	4.1%	167,910	285,085	335,587	104,102
	May	534,225	2.5%	412,088	4.3%	176,503	302,939	357,722	109,149
	Jun	551,645	2.5%	421,269	4.1%	184,533	310,103	367,113	111,166



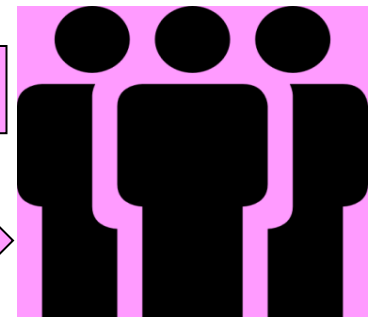
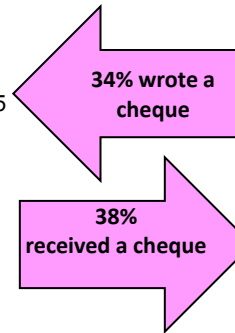
<sup>1</sup> Per cent growth rates relate to rolling 12 month periods.

## B Cleared cheques and paper credits

- The rate of decline of cheque volumes remained unchanged in Q2, decreasing by 15% annually to 73 million. Average daily volumes stood at 1.2 million.
- Values amounted to £90.4 billion (-12%). Average daily values stood at £1,483. The peak day was recorded in May, with 1.8 million cheques cleared. The average value per cheque amounted to £1,236 during the quarter.
- 4.4 million paper credits were cleared for total of £3.0 billion. Credit volumes and values decreased by 20% and 13% respectively. Average daily volumes stood at 72 thousand, with the peak day recorded in May when 135 thousand credits were processed. The average value per credit item stood at £692.
- There was a notable increase in the value of forex cheques cleared between Q1 and Q2, perhaps linked to currency fluctuations. 14,485 euro cheques were cleared worth over €375 million, while 3,522 US dollar cheques amounting to \$153 million were exchanged and cleared.
- Recent market research<sup>1</sup> showed 34% of UK account holders make cheque payments, while 38% had received a cheque payment. Businesses reported a slightly higher level of cheque usage.



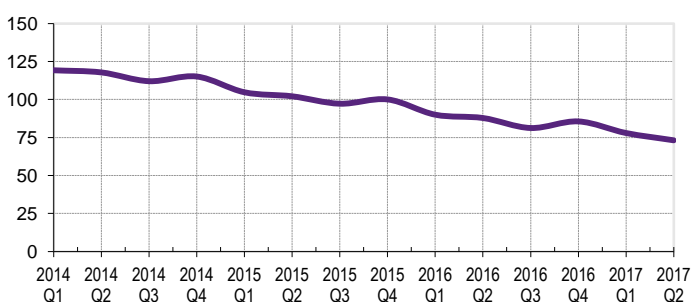
Average values	
Cheque	£1,236
Credit	£692



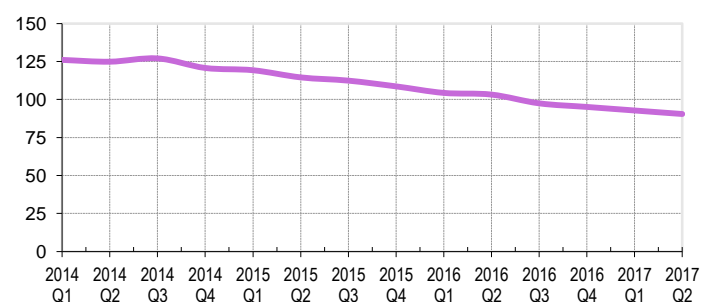
		Cheques <sup>2</sup>			
		Volume		Value	
		000s	% growth <sup>3</sup>	£ mn	% growth <sup>3</sup>
2014	Q1	119,225	-10%	126,056	-8%
	Q2	117,818	-11%	124,882	-7%
	Q3	112,038	-11%	127,036	-6%
	Q4	115,110	-12%	120,755	-7%
2015	Q1	104,762	-12%	119,257	-7%
	Q2	102,102	-13%	114,547	-7%
	Q3	97,227	-13%	112,404	-9%
	Q4	100,042	-13%	108,629	-9%
2016	Q1	89,999	-13%	104,345	-11%
	Q2	87,813	-14%	103,240	-11%
	Apr	29,621	-13%	36,186	-10%
	May	28,662	-13%	32,620	-10%
	Jun	29,530	-14%	34,434	-11%
	Q3	81,240	-14%	97,470	-11%
	Q4	85,569	-15%	95,104	-12%
	2017	Q1	77,939	-15%	92,760
Q2	73,152	-15%	90,444	-12%	
	Apr	22,438	-16%	28,660	-13%
	May	26,243	-15%	31,927	-12%
	Jun	24,470	-15%	29,858	-12%

		Credits			
		Volume		Value	
		000s	% growth <sup>3</sup>	£ mn	% growth <sup>3</sup>
2014	Q1	9,328	-13%	5,560	-8%
	Q2	8,780	-12%	4,477	-7%
	Q3	8,670	-13%	4,852	-8%
	Q4	8,184	-14%	4,770	-7%
2015	Q1	7,734	-15%	4,726	-10%
	Q2	7,154	-17%	4,029	-10%
	Q3	6,863	-18%	4,462	-9%
	Q4	6,298	-20%	3,999	-12%
2016	Q1	5,881	-21%	4,259	-11%
	Q2	5,545	-23%	3,516	-12%
	Apr	1,871	-22%	1,207	-11%
	May	1,793	-22%	1,119	-10%
	Jun	1,880	-23%	1,189	-12%
	Q3	5,377	-23%	3,750	-14%
	Q4	5,054	-22%	3,499	-13%
	2017	Q1	4,883	-20%	3,886
Q2	4,385	-20%	3,036	-13%	
	Apr	1,368	-21%	971	-13%
	May	1,567	-20%	1,059	-13%
	Jun	1,449	-20%	1,007	-13%

Cheque volumes Millions per quarter



Cheque values £ Billions per quarter



<sup>1</sup> More details available in **Cheques: Market Research 2017** which is available at - <https://www.chequeandcredit.co.uk/information-hub/market-research>

<sup>2</sup> Inter-bank payments only.

<sup>3</sup> Per cent growth rates relate to rolling 12 month periods.

## C Real-time payments: Faster Payments



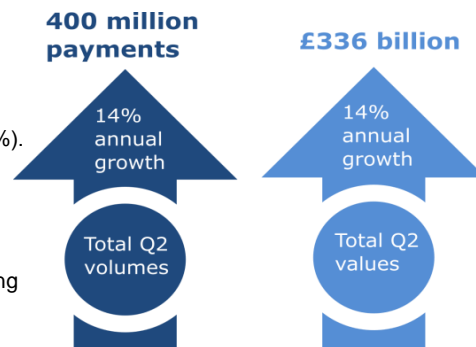
• Strong growth continued into Q2. Total volumes and values each registering annual growth of 14%, with 400 million payments processed amounting to £336 billion. The largest component of Faster Payments, and also the biggest contributor to growth, are Single Immediate Payments (SIPs).

• There were 261 million (+21%) SIPs during the quarter, amounting to £211 billion (+18%). The average payment value stood at £810, down from £827 in Q2 2016.

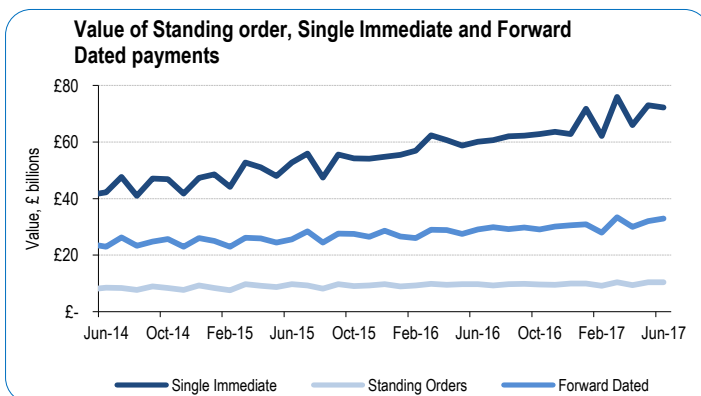
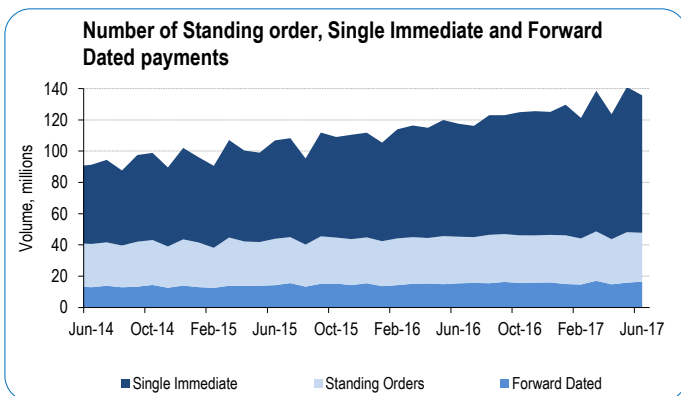
• Forward Dated (FDPs) volumes grew by 6.2% to 47 million, with values of £95 billion (+11%). FDPs include bulk corporate access transactions, and register the highest average payment value. In Q2 2017 this stood at 2,017, a rise of 11% on Q2 2016

• The main driver growth in both SIPs and FDPs has been consumers' increased use of remote banking services, with industry research<sup>1</sup> showing about three-quarters of adults using online, telephone or mobile banking.

• Standing order volumes were up by 3.9% to 93 million, while corresponding values increased by 4.9% to £30 billion.



Payment volumes						Payment values					
		<i>of which</i>						<i>of which</i>			
	Total	%	Standing orders (inc Returns & Scheme Returns) <sup>3</sup>	Forward Dated (inc Corporate Bulk)	Single Immediate	Total	%	Standing orders (inc Returns & Scheme Returns) <sup>3</sup>	Forward Dated (inc Corporate Bulk)	Single Immediate	
	000s	growth <sup>2</sup>	000s		000s	£ mn	growth <sup>2</sup>	£ mn		£ mn	
2014	Q1	260,623	19%	81,407	38,593	140,623	212,067	23%	23,528	68,485	120,054
	Q2	270,172	16%	82,483	39,563	148,126	220,997	21%	24,374	70,709	125,914
	Q3	279,592	14%	83,274	40,036	156,282	234,883	19%	24,904	74,278	135,701
	Q4	290,543	14%	84,734	40,962	164,848	235,848	17%	25,315	74,561	135,972
2015	Q1	293,837	13%	85,086	39,374	169,377	245,311	16%	25,630	74,171	145,510
	Q2	306,304	13%	86,091	41,881	178,333	255,296	15%	27,520	75,975	151,801
	Q3	315,529	13%	86,676	44,022	184,830	266,377	15%	27,102	80,382	158,893
	Q4	331,364	13%	88,167	45,062	198,135	273,734	15%	28,065	82,572	163,097
2016	Q1	335,820	14%	88,500	43,010	204,311	284,332	15%	27,905	81,534	174,893
	Q2	352,440	14%	89,691	45,642	217,107	293,808	15%	28,918	85,383	179,507
	Apr	114,968	14%	29,108	15,329	70,531	99,042	15%	9,498	28,840	60,705
	May	119,933	15%	30,756	14,885	74,293	95,875	16%	9,674	27,482	58,718
2017	Jun	117,538	14%	29,828	15,427	72,283	98,891	15%	9,746	29,061	60,084
	Q3	362,189	15%	90,901	47,484	223,803	302,639	15%	28,808	88,930	184,902
	Q4	375,644	14%	91,099	47,540	237,005	308,228	14%	29,105	89,783	189,340
	Q1	389,603	15%	92,284	46,639	250,680	331,611	14%	29,518	92,216	209,877
2017	Q2	400,386	14%	92,497	47,083	260,806	336,264	14%	30,053	94,985	211,226
	Apr	123,666	14%	28,897	14,771	79,998	105,296	14%	9,316	29,981	65,999
	May	141,021	14%	32,305	15,831	92,886	115,475	14%	10,393	32,053	73,029
	Jun	135,699	14%	31,294	16,482	87,922	115,492	14%	10,344	32,951	72,198



<sup>1</sup> More details are published in **UK Payments Market 2017** available at - <https://www.paymentsuk.org.uk/industry-information/annual-statistical-publications>

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

<sup>3</sup> Scheme limit increased from £100,000 to £250,000 in November 2015.

## D Same-day payments: CHAPS

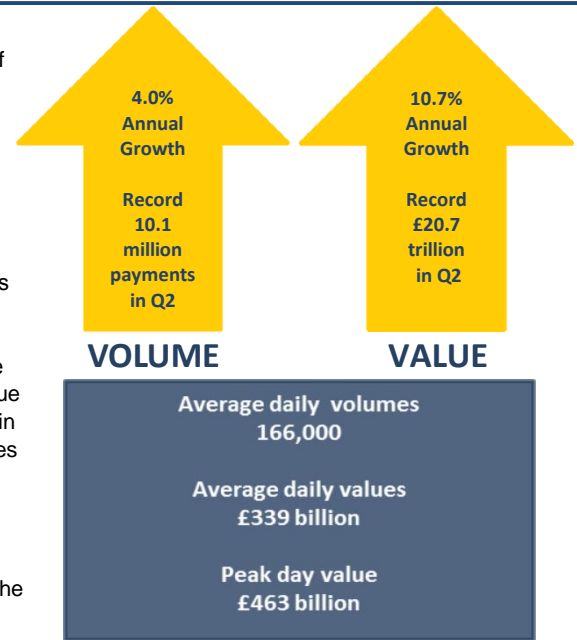
• Volume and value trends recovered in the second quarter following on from lower growth between Q4 2016 and Q1. This represents an increase in underlying drivers of growth on top of more transient effects. Growth trends were however unchanged annually with each recording respective growth rates of 4.0% and 11% in the 12 months to the end of the quarter.

• Factors<sup>1</sup> driving volume growth include the economic backdrop, with steady economic growth and very strong growth trade flows. Market uncertainty stemming from the Brexit decision may have been another factor since Q2 2016.

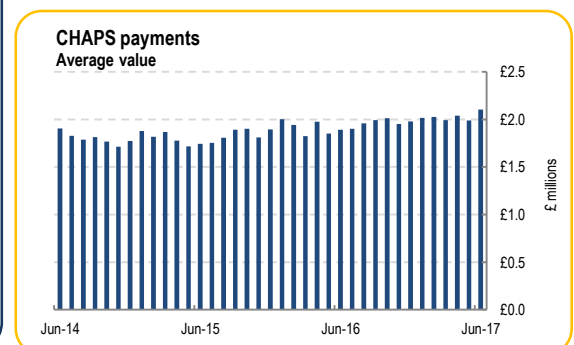
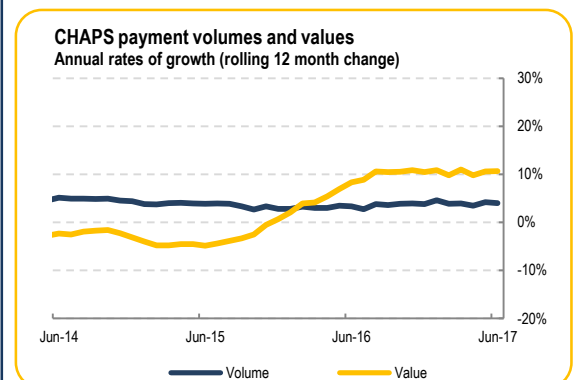
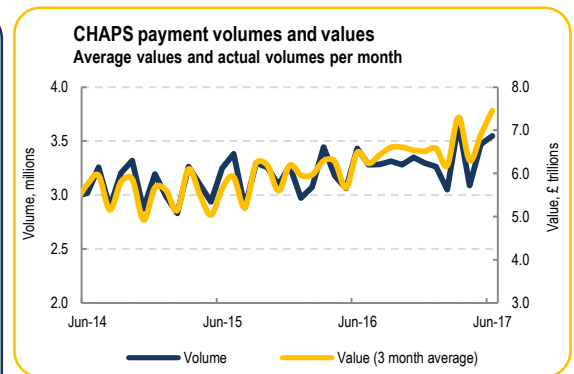
• 10.1 million CHAPS payments were processed in Q2, up from 9.7 million in Q2 2016. Volumes averaged almost 166,000 payments per day, up from 153,000 in Q2 2016.

• Daily values averaged a record £339 billion, a rise of 16% over Q2 2016. Daily averages have topped £300 billion since Q4 2016, surpassing levels last seen in 2008. The rise in CHAPS value transmitted in both Q1 and Q2 centred on the £300m - £1 billion range, with 33% growth in Q2 in this value range, coming from strong growth in both wholesale financial transfers and other types of payment such as corporate treasury.

• In June 2016, CHAPS extended operating service hours by 1 hour and 40 minutes, allowing CHAPS to close for customer payments at 17:40 and for settlement at 18:00. Benefits are in evidence with volumes increasing within the extended hours and fewer extensions required to the CHAPS service.



		Volumes		Values		Working Days per Period
		000s	% growth <sup>2</sup>	£ mn	% growth <sup>2</sup>	
2014	Q1	8,744	5%	17,811,652	-2%	63
	Q2	9,042	5%	16,764,847	-2%	61
	Q3	9,349	5%	16,920,050	-2%	65
	Q4	9,387	4%	16,462,942	-3%	64
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
	Apr	3,177	3%	6,275,909	5%	21
	May	3,061	3%	5,665,216	7%	20
	Jun	3,432	3%	6,486,610	8%	22
	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%
	Q2	10,104	4%	20,662,901	11%	61
	Apr	3,087	3%	6,298,351	10%	18
	May	3,471	4%	6,907,831	11%	21
	Jun	3,547	4%	7,456,719	11%	22



<sup>1</sup> CHAPS Market Summary 2017 can be downloaded from <http://www.chapsco.co.uk/media/publications>. It covers the sources of the higher than expected growth in volumes and values in 2016, why the different CHAPS segments use CHAPS, and the introduction of the Extended Settlement Day.

<sup>2</sup> Growth rates are based on rolling 12 month periods.

# 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 70,114 cash machines in operation at the end of Q2 2017; up by 69 on Q1.

- This rise was driven by the IAD estate, which increased by 955 to reach 41,188, a record high. This was the largest quarterly increase since the beginning of 2015.

- The number of free-to-use machines rose for the third month in a row; by 267 to 54,582, also a record high.

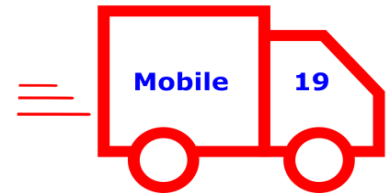
- The convenience, supermarket and other retail sectors can be combined to describe the retail sector as a whole; this combined category accounts for 64% of off-site machines.

- The convenience sector, in turn, accounts for the largest share of the retail sector - 68% in Q2 2017.

- On an annual basis the number and value of withdrawals decreased by 3.1% and 1.8% respectively.

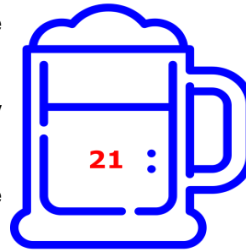
- With 666 million withdrawals totalling £47.7 billion, the average withdrawal increased to £72 in Q2 2017.

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

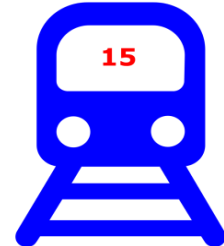


## Largest increases in cash machines by sector (excluding retail)

### Social



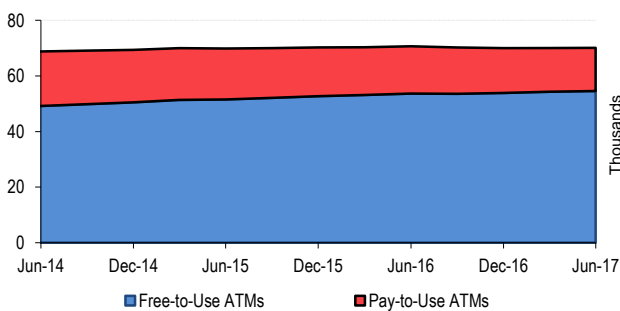
### Public Transport



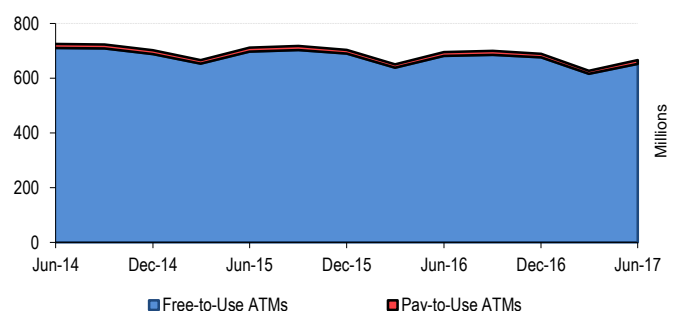
### Cash withdrawals

		Number of cash machines at period end	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 £	%	
<b>2014</b>	Q1	68,135	681	0.9%	43,982	-0.2%	65	2.2%	
	Q2	68,819	725	-0.8%	47,729	-0.8%	66	2.0%	
	Q3	69,120	723	-1.4%	49,280	-1.4%	68	2.0%	
	Q4	69,382	702	-2.4%	48,368	-1.3%	69	2.0%	
<b>2015</b>	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%	
<b>2016</b>	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%	
<b>2017</b>	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%	

Number of cash machines (end-quarters)



Cash withdrawal volumes (quarterly)



<sup>1</sup> On-us transactions amounted to some 19% of the total volume and 24% of the total value at the end of Q2 2017.

<sup>2</sup> Per cent growth figures relate to rolling 12 month periods.