

Snapshot of Payments in the UK Over Time.



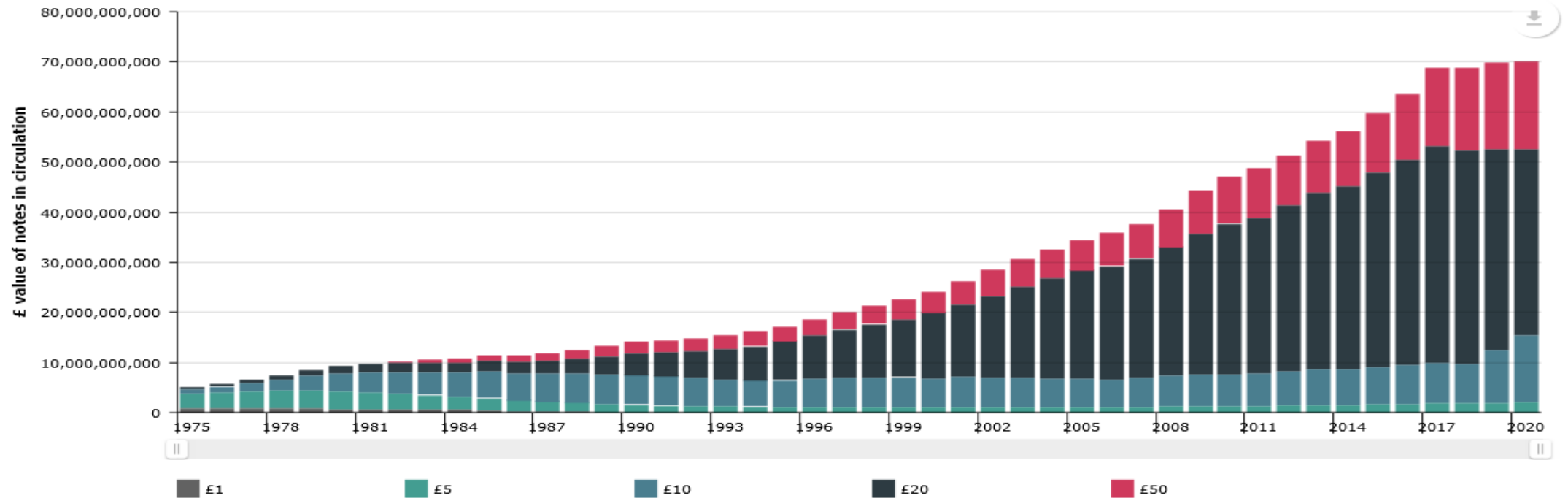
Cash



Notes in Circulation in the UK

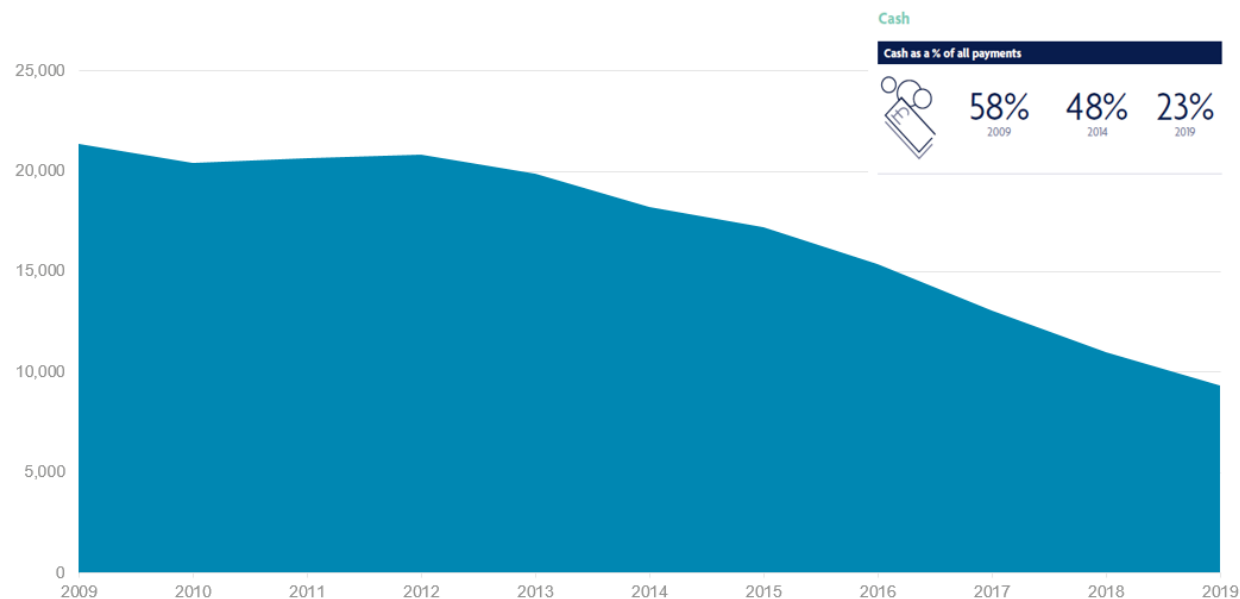
Notes in circulation

The total value of our notes in circulation has tended to increase over time with growth driven in recent years by the £20 and £50 note. We measure the value of notes in circulation on the last day in February each year.



Source: Bank of England

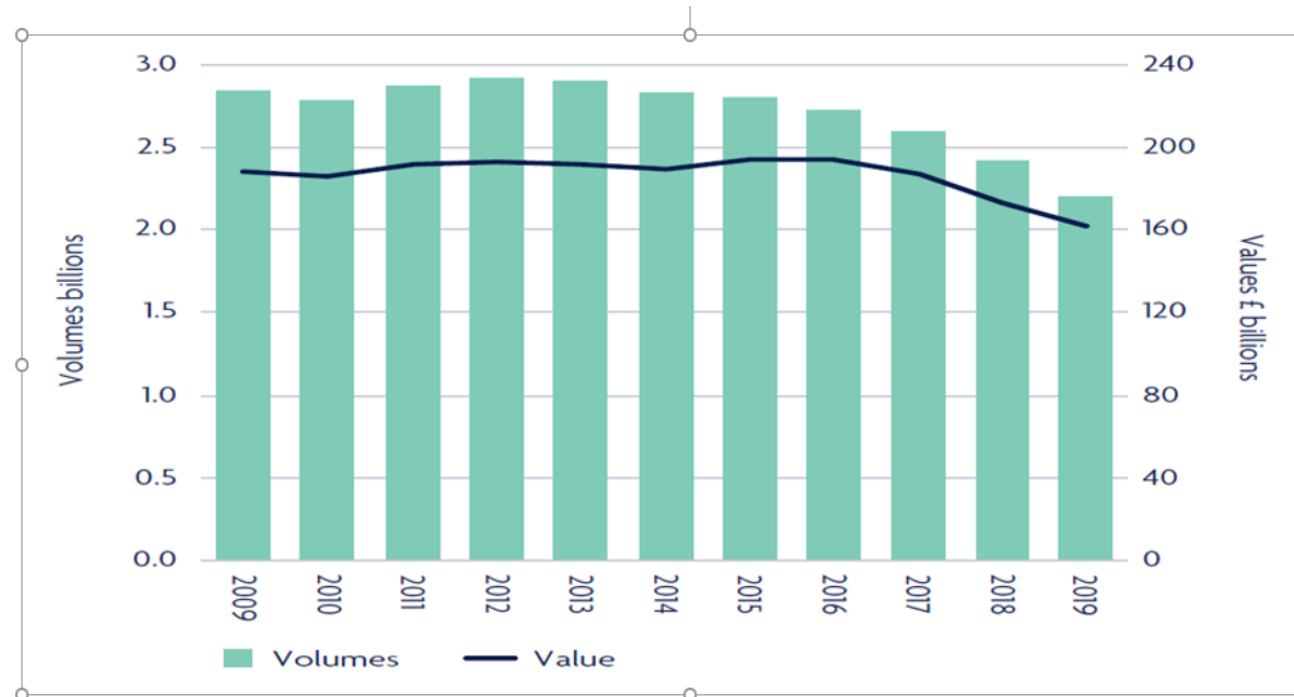
Total Number of Cash Payments (2009 -2019)



Source: UK Finance Payments Market Report, 2020

- There has been a steady decline in the number of cash payments made in the UK since 2012.
- In 2019, the total number of cash payments were less than half those of a decade ago.
- In 2009, more than one in every 2 transactions were paid for in cash. By 2019, only 1 payment in every 4 was settled in cash.

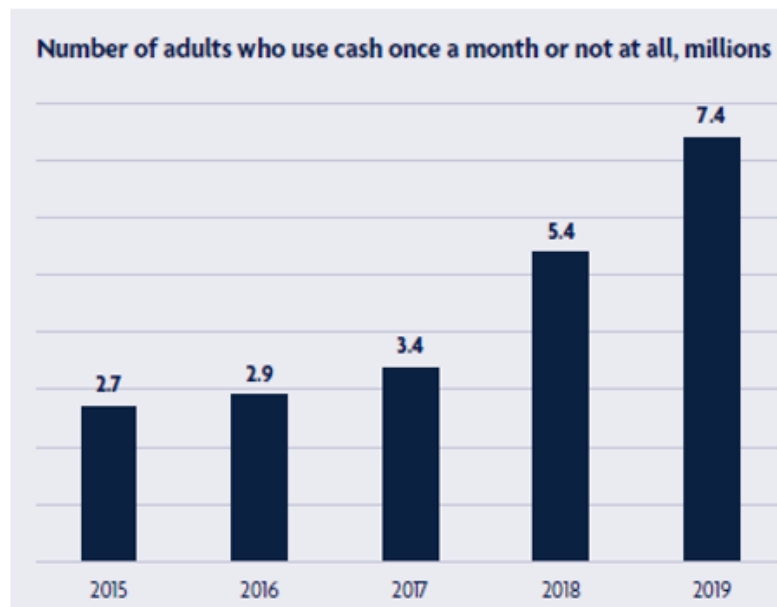
Cash Machine Withdrawal Volumes and Values



Source: UK Finance Payments Market Report, 2020

- The number of cash withdrawals from ATMs were relatively steady until 2016 when a steady decline began to be observed.
- By 2019, both the number of withdrawals and the amount of cash taken from ATMs were lower than a decade ago. Withdrawals fell by 9 percent over 2018/2019

Use of Cash In the UK



During 2019, there were 2.1 million adults in the UK who mainly used cash for their day-to-day spending, representing 3.8% of adults.

Number of adults who mainly use cash for day-to-day spending, millions

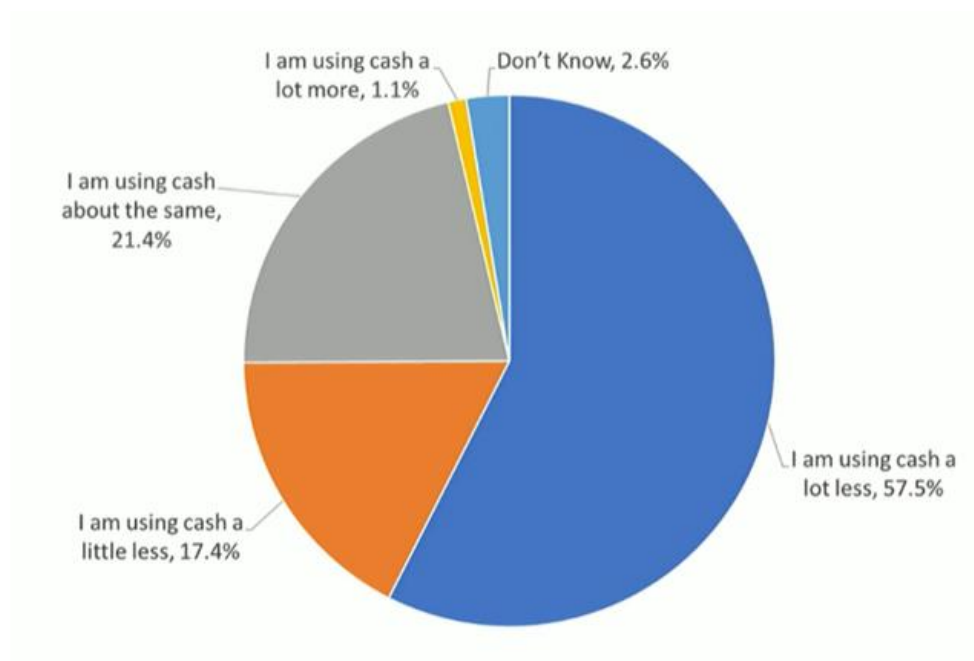


2016	2.7 million
2017	2.2 million
2018	1.9 million
2019	2.1 million

Source: UK Finance Payments Market Report, 2020

- By 2019, more than 9 out of every 10 persons did not use cash for daily purchases.
- In 2018, the number of people who almost never used cash had doubled to 5.4 million compared with three years earlier. This grew even further to 7.4 million one year later.

Use of Cash since Covid 19



Source: YouGov, commissioned by LINK Research, 2020

- Use of cash for all services more than halved since the outbreak of Covid 19, according to a study by Link Gov. UK.
- 1 out of every 5 people found that there was no change in how they used cash since the outbreak.

Infographic on Accessing Cash

How people access their cash:



ATMs

80% of the total value of cash withdrawals (£162bn)



Branches/Over the counter

6% (£12.8bn)



Cashback

2% (£3.8bn)

Source: UK Finance, UK Payment Markets 2020

Ability to access Cash

Analysis by the PSR and FCA of data provided by banks, building societies, post office and Independent ATMs in March 2020 found the following in terms of access to cash.

Based on access via **free or charging ATMs**, bank branches and Post Offices, on average across UK local authorities:

- 93% of the population is currently within 1 mile of access to cash
- 99% of the population is within 3 miles of access to cash
- The coverage does not include cashback, which provides an additional source of cash for people.

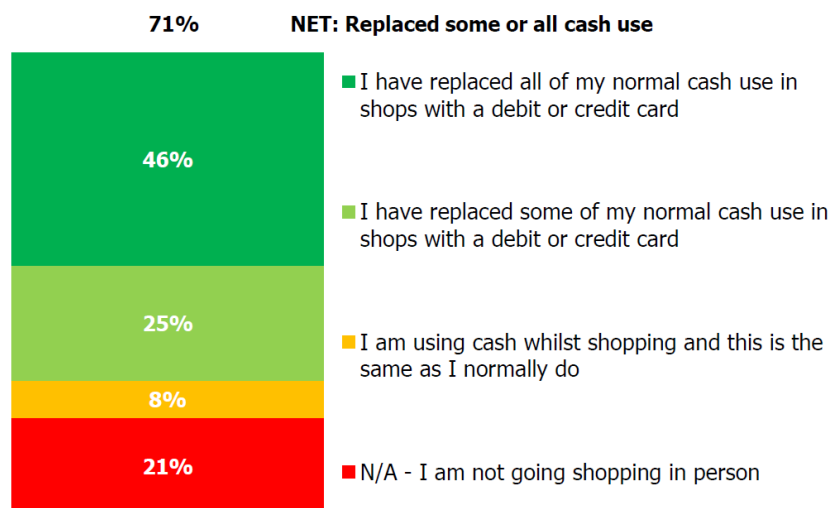
Based on access to **free** ATMs, bank branches and Post Offices, on average across UK local authorities:

- 88% of the population is currently within 1 mile of free access to cash
- 97% of the population is within 3 miles of free access to cash

<https://www.psr.org.uk/psr-focus/access-to-cash/coverage-of-access-to-cash-across-the-uk>

Use of Cash for Shopping since Covid 19

Which of these statements about shopping in person at the moment best apply to you?



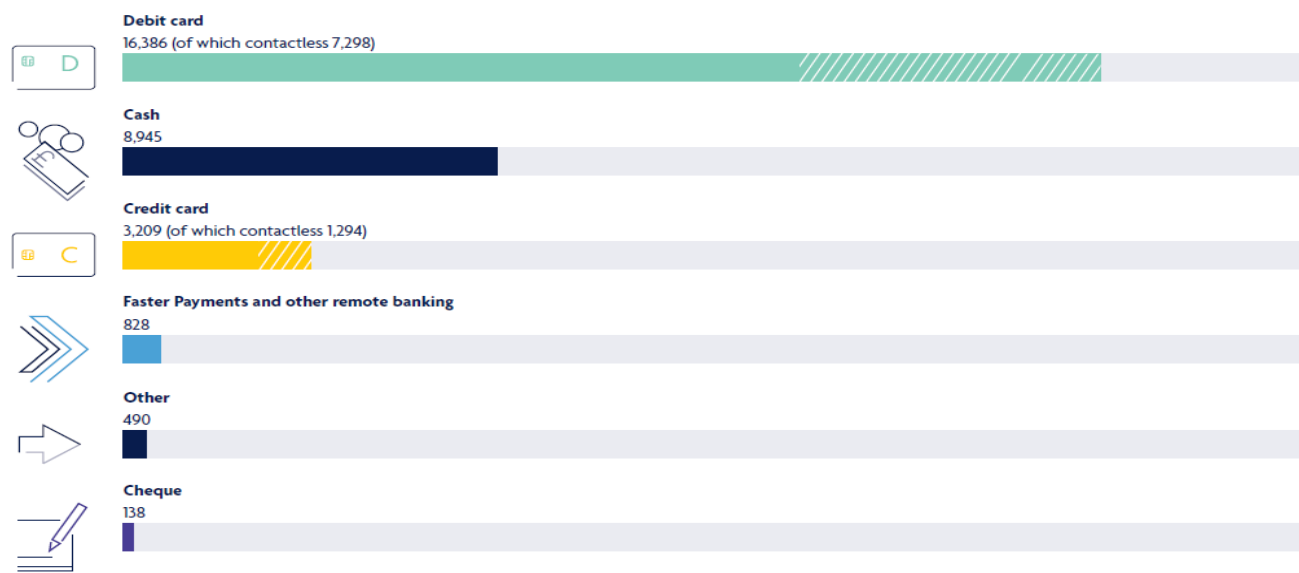
Which Survey, 2020

- In May, a Which study found that nearly half of all people who previously used cash for shopping, now pay entirely with a debit or credit card following the outbreak of Covid 19.
- A further 25% have replaced some of their cash purchases with cards.

Use of Other Payment Methods



Spontaneous Consumer Payment Volumes by Method, 2019



Source: UK Finance Payments Report, 2020

- In 2019, the most popular method for settling spontaneous payments was debit card. Spontaneous purchases are payments that consumers are not committed to advancing each month.
- Consumers used debit cards almost twice as much as cash and more than five times as much as credit cards.

Number of Annual Payments per Adult in Each Age Band in 2019

Age	16 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+
Cash	106	103	142	173	234	230
Cheque	2	1	2	4	3	5
Debit card	290	389	438	306	267	207
Credit card	29	53	39	87	69	75
Faster Payments*	19	19	18	24	18	16
Standing order	8	10	12	8	8	8
Direct Debit	45	79	83	84	76	78
Other, including store cards, prepaid cards and PayPal	10	10	12	8	10	5
Total	508	664	746	695	685	624

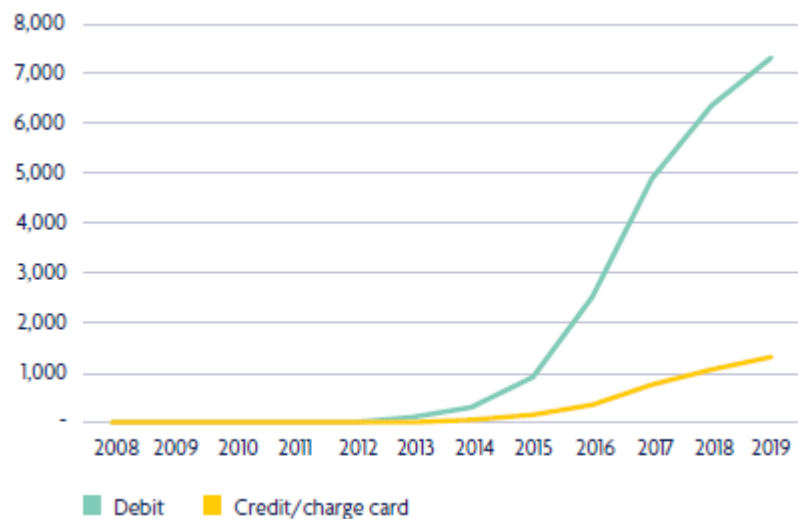
* and other remote banking

Source: UK Finance Payments Report, 2020

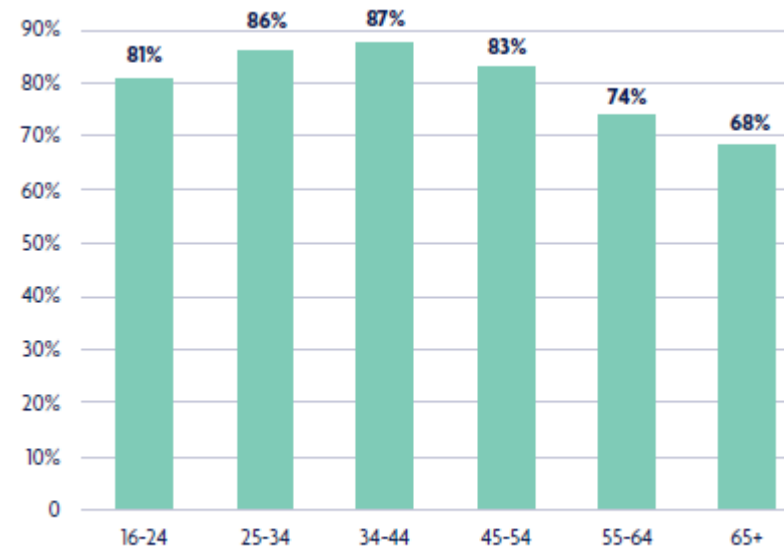
- In 2019, adults over 55 years, were twice as likely to pay by cash than those under 35 years.
- Adults over 45 years were almost twice as likely to pay by credit card than those below this age.
- Adults under 45 years made 58% of their payments by debit cards, compared with 38% those above this age.

Growth and Breakdown of Contactless Payments, 2019

Growth of Contactless Payments
2008-2019



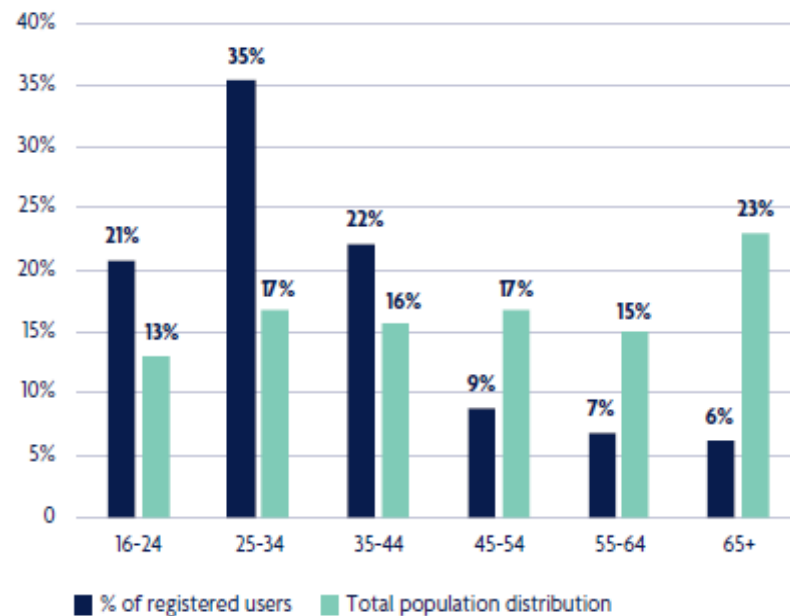
Breakdown of Contactless Payments by Age Group
2019



Source: UK Finance Payments Report, 2020

- There was a significant increase in use of contactless payments since 2015.
- In 2019, contactless payments by debit cards significantly outstripped (7 times higher) contactless payments by credit cards.
- All age groups appear to make good use of contactless payments. More than 8 out of every 10 adults under 55, and 7 out of every 10 adults over 55 used contactless payments in 2019.

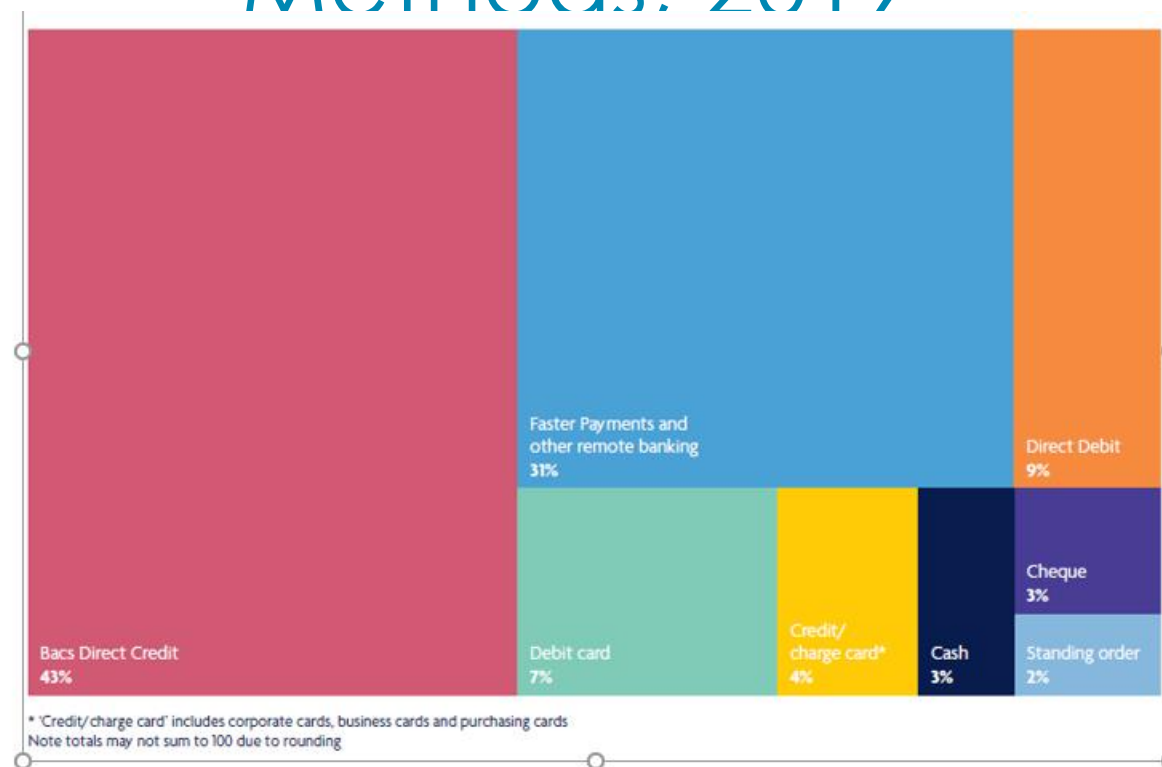
Proportion of mobile payment users in each age group vs. population distribution



Source: UK Finance Payments Report, 2020

- Adults over 65 years were least likely to use mobile payments; while those between 25 to 34 years were most likely to do so.

Business Payments by Various Payment Methods. 2019



Source: UK Finance Payments Report, 2020

- In 2019, most business payments were facilitated by Bacs or Faster Payments.
- Businesses used both debit and credit cards to settle just 1 in every 10 payments.
- Cash was rarely used as a form of payment by businesses.

Comparison of Business Payments in 2019



Number and value of payments made by businesses and consumers in 2019

Consumer	Business
Number of payments 35,345 million	Number of payments 4,694 million
Value £1,716,648 million	Value £7,026,623 million
Total	
Number of payments 40,040 million	
Value £8,743,271 million	

Source: UK Finance Payments Report, 2020

- In 2019, the number of payments made by businesses to consumers were just 4% higher than payments from one business to another.
- The value of payments made by consumers were more than double the value of payments made by businesses; and were also almost 9 times higher in frequency.