

Authorised push payment (APP) scams performance report

July 2024



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Introduction

Authorised push payment (APP) scams happen when a scammer tricks someone into sending a payment to an account outside of their control.

While APP scams remain a huge source of concern with £341 million being lost in the UK in 2023 alone, we have observed an overall reduction in the value of APP scams and an increase in reimbursement levels compared to the data we collected in 2022. We expect this trend to continue once our new reimbursement framework, launches in October 2024.

We are publishing 2023 data collected from the 14 largest banking groups in the UK¹ on:

- ▶ the reimbursement of victims across the 14 largest banking groups
- ▶ the rate of APP scams sent from the 14 largest banking groups
- ▶ the rate of APP scams received by the top 20 highest receiver of scams

These 14 largest banking groups firms were required to submit data to us. This data covers the majority of Faster Payments in the UK, by value and volume. However, because a number of smaller payment firms in addition to the 14 largest also account for a large proportion of APP scams, this report also shows the data for eleven smaller firms that were identified as being one of the 20 highest receivers of APP scams by volume and value.



1 The 14 largest banking groups in Great Britain and Northern Ireland are listed on [page 36](#).

Introduction (continued)

Shining a light on the performance of payment firms is part of a package of work to introduce incentives for payment firms to innovate and do more to stop APP scams happening in the first place. We recognise, however, that payment firms are part of a wider ecosystem, and that the data we have gathered can be an indication of where other sectors need to play their part. In 2023, we saw a 32% increase in purchase scams by volume.

This highlights the need for further action on platforms that enable purchase and other types of scams. We have recently undertaken a research project into which entities outside of the payments sector are enabling the most fraud against UK payment users. We will shortly consult on publishing the data from this exercise in 2024.

We also want to ensure that when things do go wrong, victims are swiftly and fully reimbursed.

In 2023, under the existing voluntary reimbursement framework, 67% of money lost to APP scams was reimbursed. While this is an improvement on 2022 reimbursement levels, we understand that being reimbursed still depends largely on who you bank with. The current framework also places the financial liability for reimbursement solely on the sending firm, ignoring the vital role receiving firms play in preventing scammers from accessing the UK payment systems.

Our new reimbursement framework aims to expand scam protections and increase reimbursement for victims across the UK. While customers will need to continue to take care, and an excess of £100 may be applied, where an APP scam occurs, all payment providers will be required to reimburse the victim (subject to some limited exceptions). Firms on both sides of the transaction, sending and receiving, will be equally liable for the cost of reimbursement.

In anticipation of our reimbursement requirements, many firms are making progress to improve end-to-end scam prevention and are working on the implementation of the reimbursement requirement. This is a significant step forward and we are encouraged by the progress made in tackling APP scams and see this as an indicator that incentives are already supporting positive change in the industry. We expect this to continue once our reimbursement measures are in place.

We are changing the ecosystem by using data more effectively and introducing new rules so that we can reduce APP scams. We do this alongside our colleagues at the FCA, who are equally focused on fraud and have undertaken significant work in setting out areas of focus including: reviewing the adequacy of fraud systems and controls, improving data sharing and collaboration and increasing consumer awareness of the fraud risks. The FCA has also published key findings from reviews of firms' systems and controls against money mule activity², as well as findings from a review of how firms mitigate the risks of APP scams.³ Both publications give examples of good practice and areas for improvement by firms.

² FCA, [Proceeds of fraud – Detecting and preventing money mules](#), December 2023.

³ FCA, [Anti-fraud controls and complaint handling in firms \(with a focus on APP fraud\)](#), November 2023.

Key messages

Our second report on APP scams performance tracks progress and provides a snapshot of the wider scams landscape. It also highlights that while some improvements have been made, further work is needed to reduce scams and see better outcomes for consumers.



Reimbursement

Reimbursement by value has increased from 61% in 2022 to 67% in 2023.

This improvement has been driven by members of the Contingent Reimbursement Model (CRM). The CRM is a voluntary code that sets guidelines on how firms reimburse victims of APP scams. CRM members reimbursed 68% of the money their consumers lost to scams in 2023.

Among banks that are not signatories to the CRM code, the reimbursement rate was 48%. Excluding TSB, who offer a fraud refund guarantee, the non-CRM banks reimbursed 17% of APP scam losses. When our reimbursement requirement goes live, we expect this variation to narrow significantly.



Receiving fraud

Typically, smaller firms receive disproportionately higher rates of APP scams compared to the 14 largest banking groups in Great Britain and Northern Ireland. The average scam rate (the value of scams received per £ million received) of these usually smaller (non-directed) firms in our data is 18 times the average scam rate amongst the larger directed firms.⁴

Smaller firms have a high proportion of scams compared to the number of transactions they receive. In 2023, they accounted for 38% of absolute APP scams received by value despite receiving just 17% of the consumer Faster Payment Scheme payments. Similarly, smaller firms accounted for 53% of absolute APP scams received by volume and 8% of consumer Faster Payments in 2023. The continuation of this trend from 2022 indicates that greater steps must be taken to prevent scammers having access to accounts that enable them to receive victim's money. Our reimbursement requirement, and the split of joint liability, will focus firms to work together and drive out vulnerabilities in their scam prevention systems and processes.

⁴ Based on a simple average of receiving APP scam rates amongst all named directed and non-directed firms in the data. Outlier firms, where no consumer payments were received, or where the APP scam values were higher than consumer payments received, were excluded from this calculation. We also excluded firms where the value recovered was higher than the APP scam value itself.

APP scams at a glance

Value of APP scams

£341m lost  **12%** since 2022

Based on data provided by the 14 largest banking groups, the value of APP scams sent has fallen by 12% since 2022, with **£341 million being lost to APP scams in 2023.**

2% of cases were higher value scams with losses over £10,000. These cases accounted for 52% of the total value lost to APP scams in 2023. The most common scam types in this category were police and bank staff impersonation and investment scams.

Lower value scams involving sums of under £1,000 accounted for over 80% of all APP scam cases sent in 2023. However, these corresponded to just under 14% of APP scam losses by value.



See definitions of different scam types.

Volume of APP scams

252,600 cases  **12%** since 2022

The volume of APP scam cases sent has increased by 12% since 2022, with **252,626 APP scam cases being reported in 2023.**

70% of the APP scam cases in 2023 were purchase scams, representing 25% of losses reported by value. Other types of scam were advance fee scams and impersonation scams, with each type accounting for about 10% of scam cases in 2023.

The rise in the volume of scam cases is largely driven by purchase scams, which have increased by 32% since 2022 (see [table 5](#) in the data tables section).

Data collected within the financial sector indicates that an overwhelming majority of APP scams (including purchase scams) are enabled by online platforms. In Q4 2024, we will publish scam enabler data to bring greater transparency to the role that the wider ecosystem must play in the fight against fraud.

APP scams sent	2022	2023	% Change
Value	£389,022,456	£340,652,609	-12.43%
Volume	224,603	252,626	12.48%

Scope of the data and challenges with APP scam reporting

We receive data on APP scams from the 14 largest banking groups in Great Britain and Northern Ireland.

They provide us with data on:

- ▶ their reimbursement levels
- ▶ the value and volume of APP scams that they send
- ▶ which payment accounts receive those funds

The data we have compiled relates to APP scams where the reported victim is a consumer or a small business or charity with an annual income of less than £1 million.

All APP scam cases in the data are UK cases that were closed in 2023. They comprise of on-us and Faster Payments transactions. A closed APP scam case means the directed firm has completed an investigation and decided on whether to reimburse the consumer.

If a consumer does not agree with a firm's decision, they can refer the outcome to the Financial Ombudsman Service (FOS). We have asked firms to exclude all reimbursements made because of FOS rulings, as we consider these not to be a true reflection of a firm's own reimbursement activity.

We first published data on APP scams in October 2023. To test whether consumers easily understood this data, we commissioned a consumer testing agency. They provided us with feedback on the charts we required the 14 largest banking groups in Great Britain and Northern Ireland to publish. Based on their feedback, we have made the language of our publication more accessible.



Scope of the data and challenges with APP scam reporting *(continued)*

We continue to see differing views across payment firms as to whether claims are assessed as being an APP scam.

For example, the sending firm may have recorded the case as an APP scam and reimbursed the customer, while the receiving firm may believe the scam to be out of scope.

Determining whether a transaction is in scope relied on establishing when a customer lost control. This involved examples such as:

- ▶ **Me-to-me transactions:** These involve a payment being sent from one account to another, where both accounts are in the same name. In these cases, an APP scam is flagged where the victim is considered to have been under the control of the scammer.
- ▶ **Payments made to a crypto exchange:** Where a scam may occur, but it may not be clear when the victim lost control of the funds to the scammer.

Due to the complex and evolving landscape of APP scams, we cannot provide guidance for each case type. Sending and receiving firms are best placed to apply our guidance using the data they hold and assess cases. Our guidance on what is in scope remains unchanged from 2022.

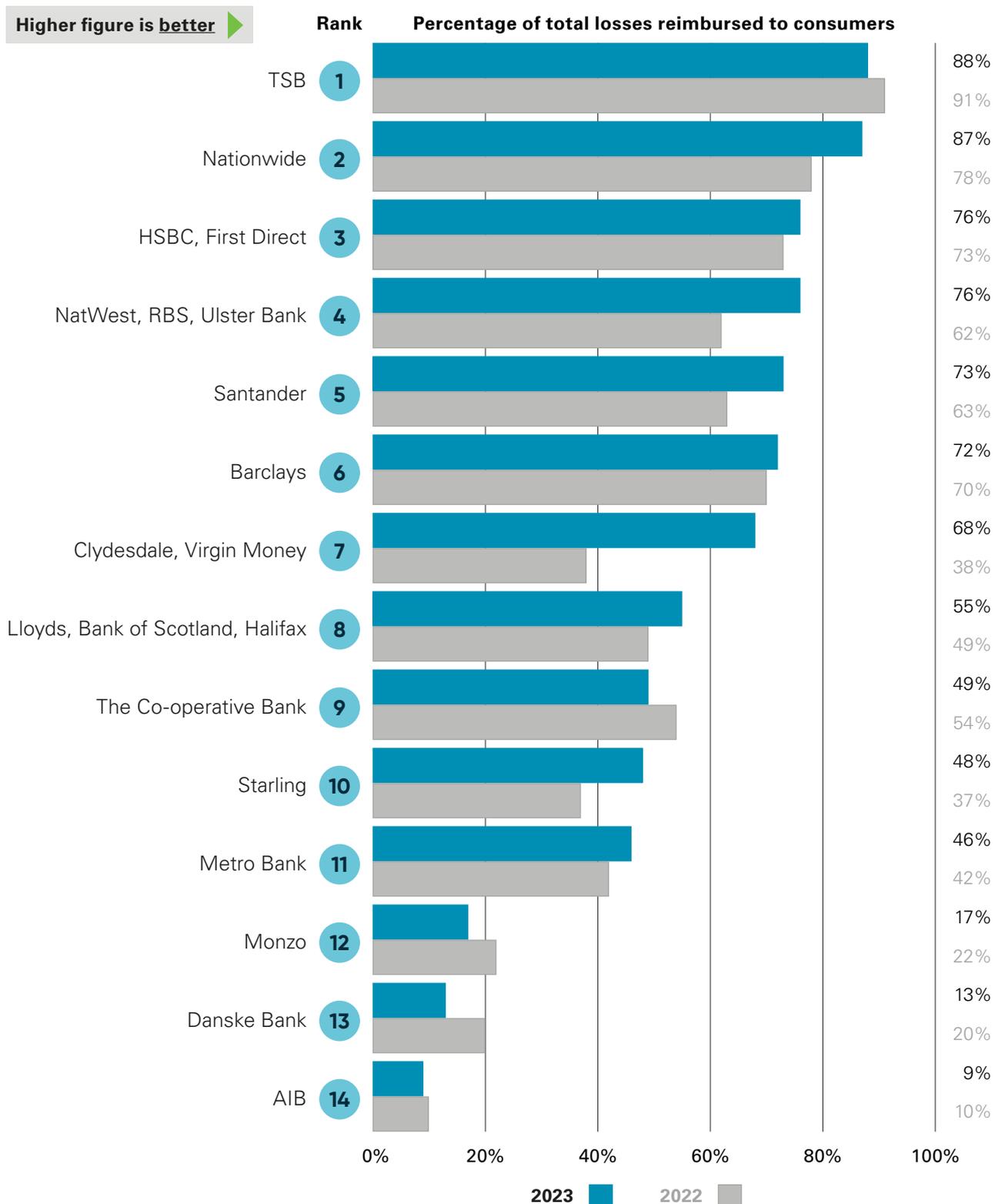
We consider many disagreements on scope may have been avoided had concerns been raised and addressed nearer to when the APP scam took place. We expect this issue to significantly reduce once our mandatory reimbursement policy goes live in October 2024 and both firms are liable for the reimbursement costs.

In addition, some payment firms use a business model where customers outside the UK send and receive money using a UK-based intermediary firm. Industry refer to these accounts as 'borderless accounts'. These payments are in scope of our policy.

While we have relied on the data provided by the 14 largest banking groups, firms identified as the highest receivers of APP scams have had the opportunity to provide evidence to the sending firms and to ask for the data to be amended where it does not meet the scope of a reportable scam.

Metric A: Percentage of reported APP scams losses refunded by value

The chart shows the percentage of total APP scams losses that were reimbursed to consumers by the 14 largest banking groups in 2023. For example, TSB refunded 88% of the total value of money its customers lost to APP scams in 2023.



Metric A: Percentage of reported APP scams losses refunded by value

In 2023, 67% of the money lost to APP scams was reimbursed.⁵

This is a 6 percentage point increase from 2022.

We only collect data on reimbursement levels from the 14 largest banking groups in Great Britain and Northern Ireland.

Currently, payment firms are not legally required to reimburse victims of APP scams and rates of reimbursement vary between firms. However, there are early indications that, ahead of the reimbursement requirement going live in October 2024, the majority of firms are improving their reimbursement levels. Nine of the 14 largest banking groups have seen an increase in their reimbursement levels between 2022 and 2023, with Clydesdale Virgin Money seeing a 30-percentage point increase.

The three firms that reimbursed the least money in 2023 are AIB, Danske and Monzo.

All three firms have seen a reduction in the percentage of money they reimbursed since 2022 as have the Co-operative Bank and TSB.

For a consecutive year, TSB have reimbursed the highest proportion of APP scam losses to consumers out of the 14 largest banking groups. Between 2022 and 2023, its reimbursement rate fell from 91% to 88%. This is likely due to TSB being unable to exclude FOS reimbursements from its data in 2022. These have been excluded for 2023.

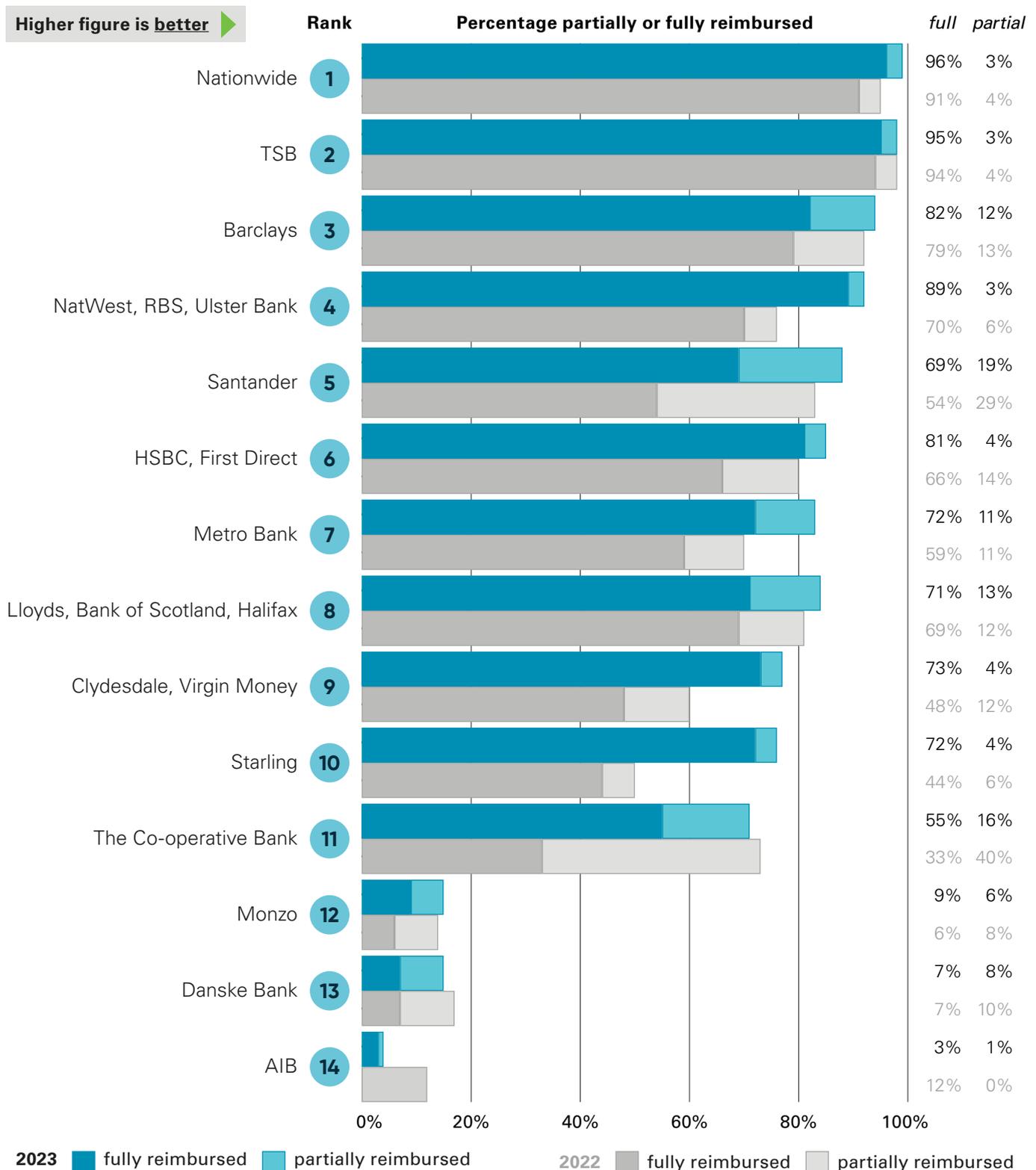
The Contingent Reimbursement Model (CRM) Code is a voluntary code launched in 2019. It seeks to respond to the growth of APP scams by establishing good industry practice to prevent them. As part of the Code, member firms reimburse victims of APP scams. Since its introduction, we have seen positive outcomes for consumers, with higher rates of reimbursement. However, it has not driven consistent outcomes, with reimbursement rates differing significantly across members. The new mandatory reimbursement framework that will be in place from 7 October 2024 will bring about consistency and certainty in relation to reimbursement for victims of APP scams, regardless of which firm they bank with.

In March 2024, the Co-operative Bank and Metro left the CRM Code. AIB, Danske Bank, Monzo and TSB are the other four directed PSPs not in the CRM Code.

⁵ Based on data from the 14 largest banking groups in Great Britain and Northern Ireland, representing the majority of Faster Payments.

Metric A: Percentage of reported APP scams losses refunded by volume

The chart shows the percentage of APP scam cases that were fully and partially reimbursed by the 14 largest banking groups. For example, Nationwide fully reimbursed 96% and partially reimbursed 3% of the APP scam cases reported by its customers in 2023.



Metric A: Percentage of reported APP scam losses refunded by volume

In 2023, 80% of reported APP scam cases were fully or partially reimbursed.⁶

This was a 5 percentage point increase compared with 2022 levels.

We only collect data on reimbursement levels from the 14 largest banking groups in Great Britain and Northern Ireland.

We have seen examples of industry innovation:

- ▶ Since 2019, TSB has offered a fraud refund guarantee. In most cases where a customer reports an APP scam to TSB, they automatically reimburse the customer.
- ▶ Since 2021, Nationwide has provided a scam checker service. Customers can talk to Nationwide about a payment. If the service reviews a transaction that turns out to be fraudulent, Nationwide fully reimburses the customer, unless the service advised them not to make the payment.

For a second consecutive year, Nationwide and TSB have reimbursed the highest proportion of reported APP scam cases, showing what can be achieved when firms embrace innovative solutions.

We are encouraged to see rates of reimbursement improving for so many firms, most notably, Starling and Clydesdale Virgin Money who saw a 28 and 25 percentage point increase respectively in the number of cases being fully reimbursed.

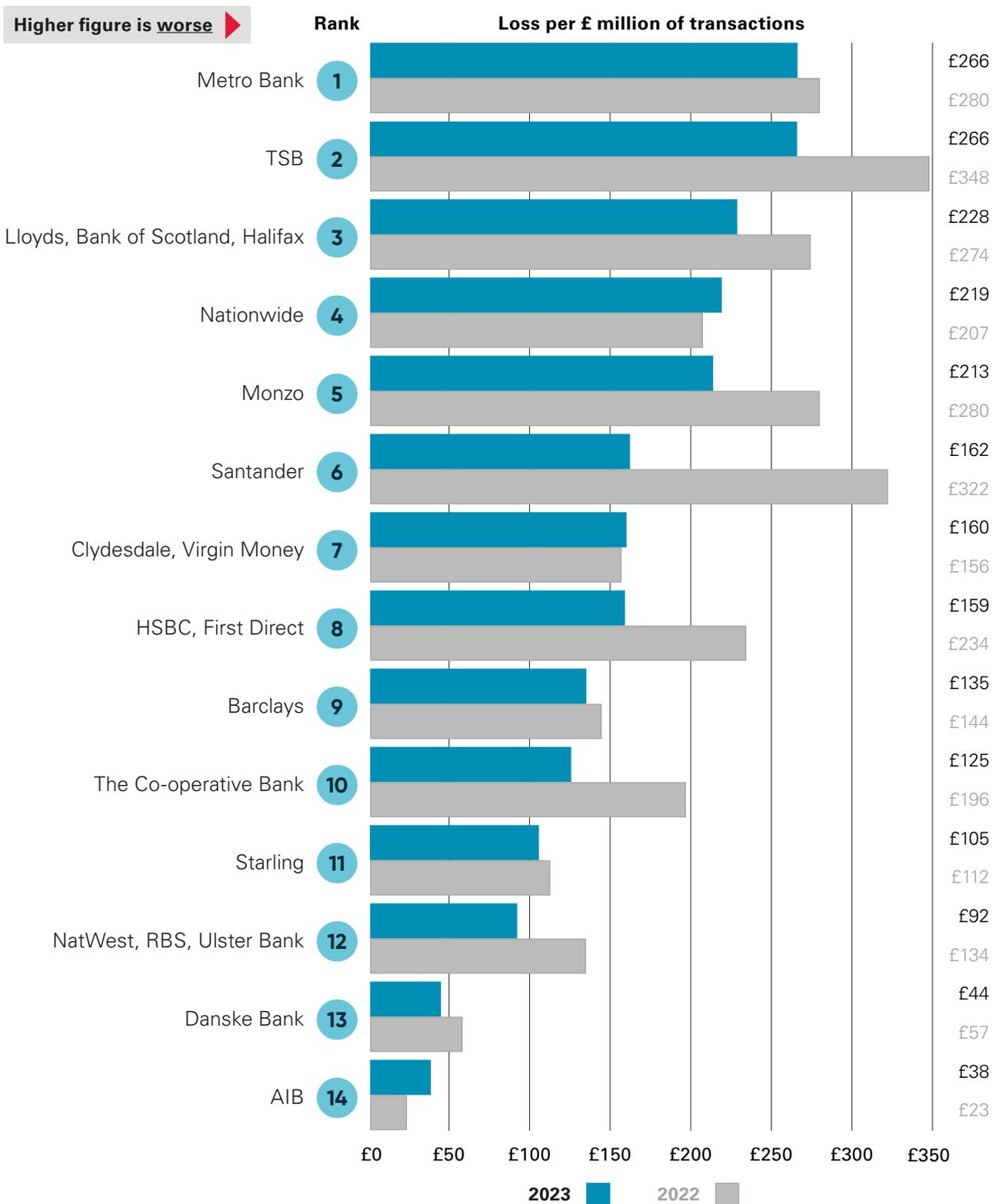
On the other hand, AIB, the Co-operative Bank and Danske are the only firms to have seen a decrease in the proportion of APP scam cases reimbursed between 2022 and 2023. For a consecutive year, AIB, Danske and Monzo have the lowest rates of reimbursement among the 14 largest banking groups in Great Britain and Northern Ireland.

We expect to see the rate of reimbursement continue to increase with the introduction of the reimbursement requirement in October 2024.

⁶ Based on data from the 14 largest banking groups in Great Britain and Northern Ireland, representing the majority of Faster Payments.

Metric B: Value of APP scams sent per £ million of transactions

This data shows how much money consumers at the 14 largest banking groups lost to APP scams for every £ million of transactions sent. For example, for every £1 million of Metro Bank transactions sent in 2023, £266 of that was lost to APP scams.



Metric B: Value of APP scams sent per £ million of transactions

In 2023, £341 million was lost to APP scams in the UK.⁷

This is a 12% reduction compared to 2022.

We are encouraged by the reductions made across the industry in the rate of APP scams sent by value. Santander saw the biggest improvement, with a 50% reduction in 2023. Six firms (TSB, Monzo, HSBC UK, the Co-operative Bank, NatWest and Danske) have seen a reduction of 20 to 35%.

We anticipate that the reimbursement requirement coming into effect in October 2024 has further incentivised banks to invest more in APP scams prevention. Some firms are taking steps to reduce the value of APP scams being sent from their accounts by:

- ▶ educating customers on how to spot fraudulent payment requests
- ▶ providing improved and dynamic scam warnings to customers
- ▶ improving scam detection by stopping payments at the time the scam occurs
- ▶ increasing their resourcing to investigate scam cases

AIB, Clydesdale Virgin Money and Nationwide are the only directed firms to have seen an increase in the value of APP scams being sent per £ million of transactions.

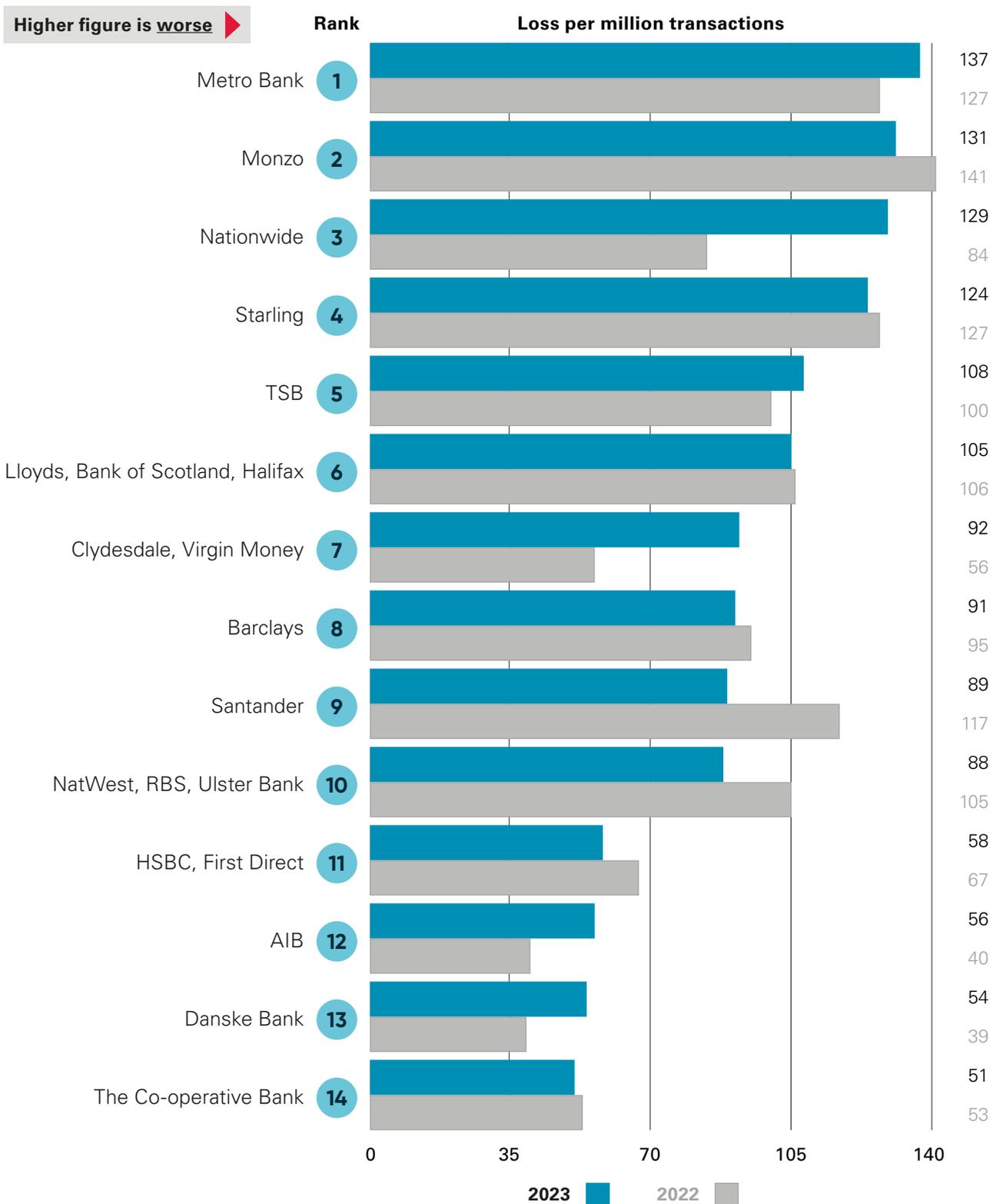
AIB continues to have the lowest sending APP scams rate for a second consecutive year.

The gap in the rate between the best and worst performing firms has reduced in 2023.

⁷ Based on data from the 14 largest banking groups in Great Britain and Northern Ireland, representing the majority of Faster Payments. This does not include money that was reimbursed or recovered.

Metric B: Volume of APP scams sent per million transactions

This data shows how many APP scams payments were sent per million transactions at the 14 largest banking groups. For example, for every 1 million consumer transactions Monzo sent in 2023, 131 were reported as APP scams payments.



Metric B: Volume of APP scams sent per million transactions

In 2023, 252,626 APP scam cases were reported in the UK.⁸

This is a 12% increase compared to 2022.

We expect payment firms in the UK to invest in their systems to stop scam money being sent from their accounts. As investment in scam prevention increases, we anticipate the number of scams sent will decrease.

Currently, we are seeing a mixed picture across the industry, with some firms seeing a reduction in the number of reported scam cases being sent from their accounts while others have seen an increase.

Clydesdale Virgin Money and Nationwide have seen the biggest increases in 2023, with their sending scam rates increasing by 66% and 53% respectively. Santander has seen the biggest decrease, with its sending scam rate reducing by 24% since 2022.

Metro Bank, Monzo, Nationwide and Starling report sending the highest number of APP scams per million transactions in 2023.

There is the potential that as consumer awareness of APP scams and the reimbursement measures improve, we will see more APP scam cases being reported in the future.

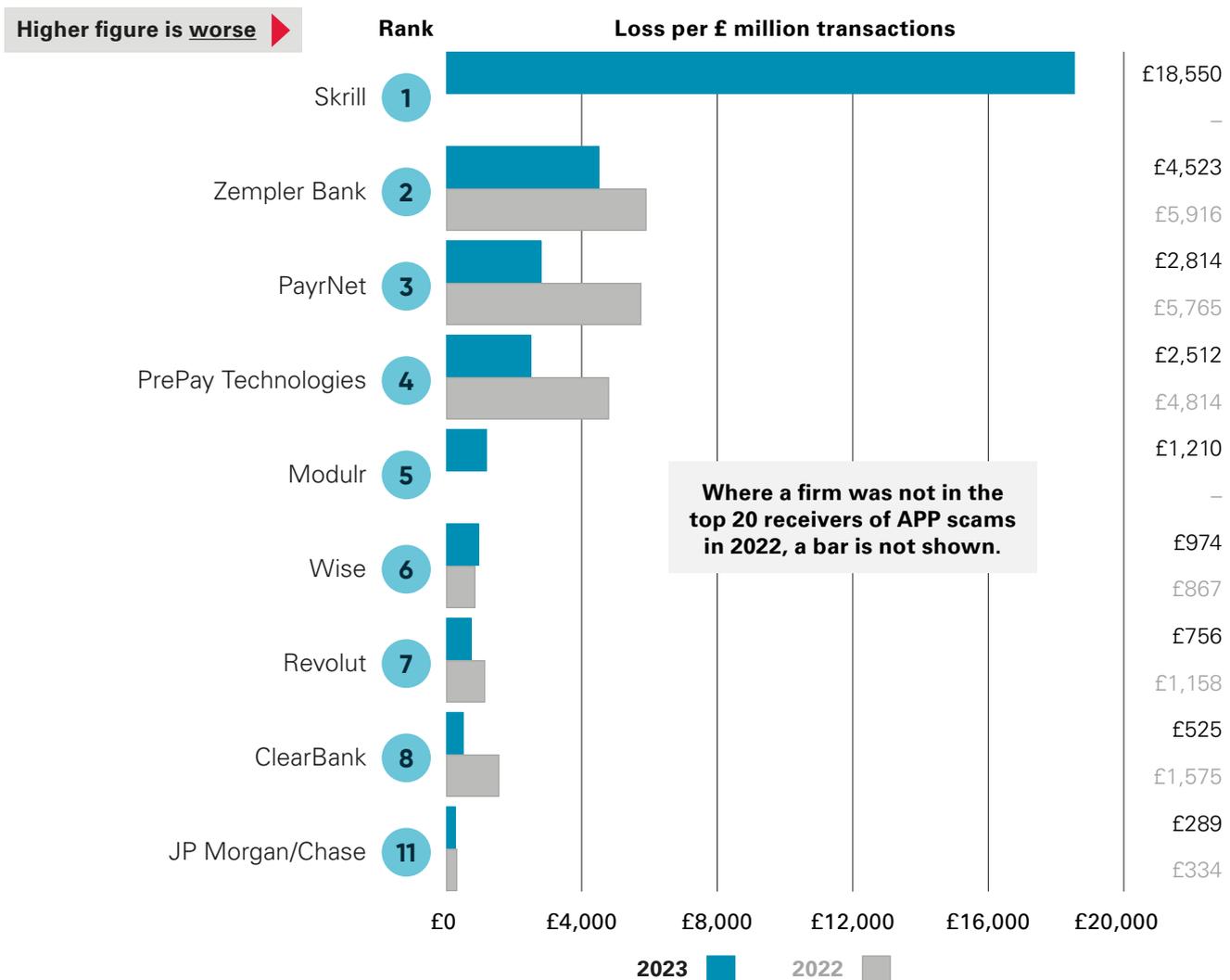
⁸ Based on data from the 14 largest banking groups in Great Britain and Northern Ireland, representing the majority of Faster Payments. This does not include money that was reimbursed or recovered.

Metric C: Value of APP scams received per £ million of transactions

Non-directed PSPs

This data shows which smaller banks and payment firms received the highest value of APP scams in 2023 per £ million of transactions. For example, for every £1 million received into consumer accounts at Skrill, £18,550 of it was APP scams.

Firms in the chart were identified as being the smaller banks and payment firms in the top 20 receivers of scams by absolute value in the UK in 2023. Larger banks and payment firms in the top 20 receivers are shown on [page 19](#). Firms were ranked from 1 to 20 based on the value of APP scams received per £ million of transactions. A firm with a rank of 1 would have the highest APP scams rate.



Metric C: Value of APP scams received per £ million of transactions

Non-directed PSPs

Although the absolute value of APP scams received by all non-directed firms has fallen by 10% between 2022 and 2023, scams rates for non-directed firms in the top 20 list of receivers are typically much higher than those of directed firms.

By way of comparison the three firms that received the largest absolute values of APP scams amongst the non-directed firms accounted for 15% of the APP scams by value, despite receiving only 2% of the consumer Faster Payments transactions.

Non-directed PSPs are smaller banks and payment firms that do not submit data to us on any APP scams sent from or received into their accounts. The receiving scam data for the firms in this report is extracted from the sending scam data from the 14 largest banking groups (the directed firms). Non-directed PSPs were not required to submit data to us on APP scams due to their much smaller size compared to the 14 largest banking groups.

In the following pages, we show which directed firms were identified in the top 20. We have separated the data on directed and non-directed PSPs. This is because rates of scams for non-directed firms tend to be much higher.

Skrill is the highest receiving firm by value in 2023 and has a scam rate almost double that of the highest receiving firm in 2022, and at least four times higher than any other firm in the top 20 in 2023.

Although Skrill have contested the inclusion of all APP scams attributed to them in 2023, they have not challenged the data with directed PSPs. Skrill believes the transactions reported by the directed PSPs as APP scams are outside of scope of our reporting because they are me-to-me transactions. We have not received any evidence that this is always the case. Skrill considers these scams relate to a digital wallet provided to a former client, with whom Skrill no longer does business, and we have seen a significant reduction in the APP scam levels that reflect the date this occurred.

The second highest receiving firm by value, Zempler Bank (formerly Cashplus Bank), has a scam rate that is 1.5 times more than the next highest receiver.

Scam rates for six smaller firms identified in the top 20 list of receivers have improved since 2022 but remain high.

% of APP scams received by value by all directed and non-directed firms in the data

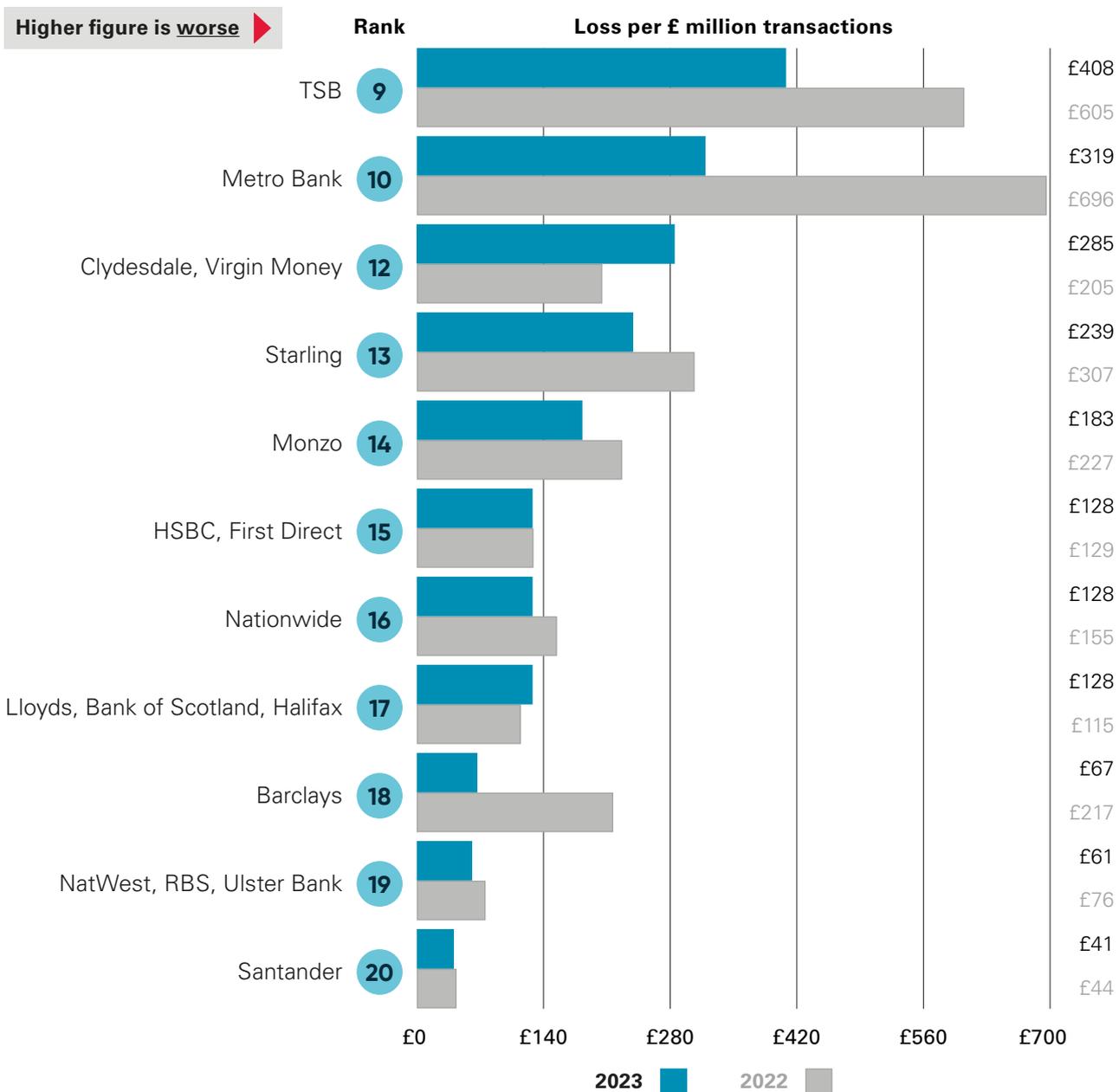
Firm type	APP scams	Consumer Faster Payments
Directed	62%	83%
Non-directed	38%	17%

Metric C: Value of APP scams received per £ million of transactions Directed PSPs

This data shows which larger UK banks received the highest value of APP scams in 2023 per £ million of transactions. For example, for every £1 million received into consumer accounts at Starling, £239 of it was APP scams.

Firms in the chart were identified as being in the top 20 receivers of scams by absolute value in the UK in 2023. Firms were then ranked from 1 to 20. A firm with rank 1 would have the highest APP scams rate.

AIB, Danske and the Co-operative Bank are not included in this list despite being in the list of 14 largest banking groups. This is because they were not identified as being in the top 20 receivers of scams.



Metric C: Value of APP scams received per £ million of transactions Directed PSPs

We are pleased to see that the absolute value of APP scams received by all directed PSPs has fallen by 15% between 2022 and 2023.

This indicates that firms are taking steps to improve scam controls and adopt new scam prevention mechanisms.

Directed PSPs are the 14 largest banking groups that were required to submit data on APP scams sent from their accounts. The receiving scam data for the firms in this report is also extracted from the sending APP scams data submitted by these PSPs.

11 of the 14 directed PSPs were identified as being in the top 20 firms receiving the highest absolute value of APP scams in 2023.

Among directed firms in the top 20, we see less variation in the receiving scam rate than we did in 2022. This is due to the two worst performing directed PSPs in 2022, TSB and Metro Bank, making significant improvements in their performance.

The reasons for some firms having higher rates of receiving scams could include fewer onboarding checks (allowing the scammer to open and empty the account before they are caught) or weaknesses in inbound transaction monitoring.

% of APP scams received by value by all directed and non-directed firms in the data

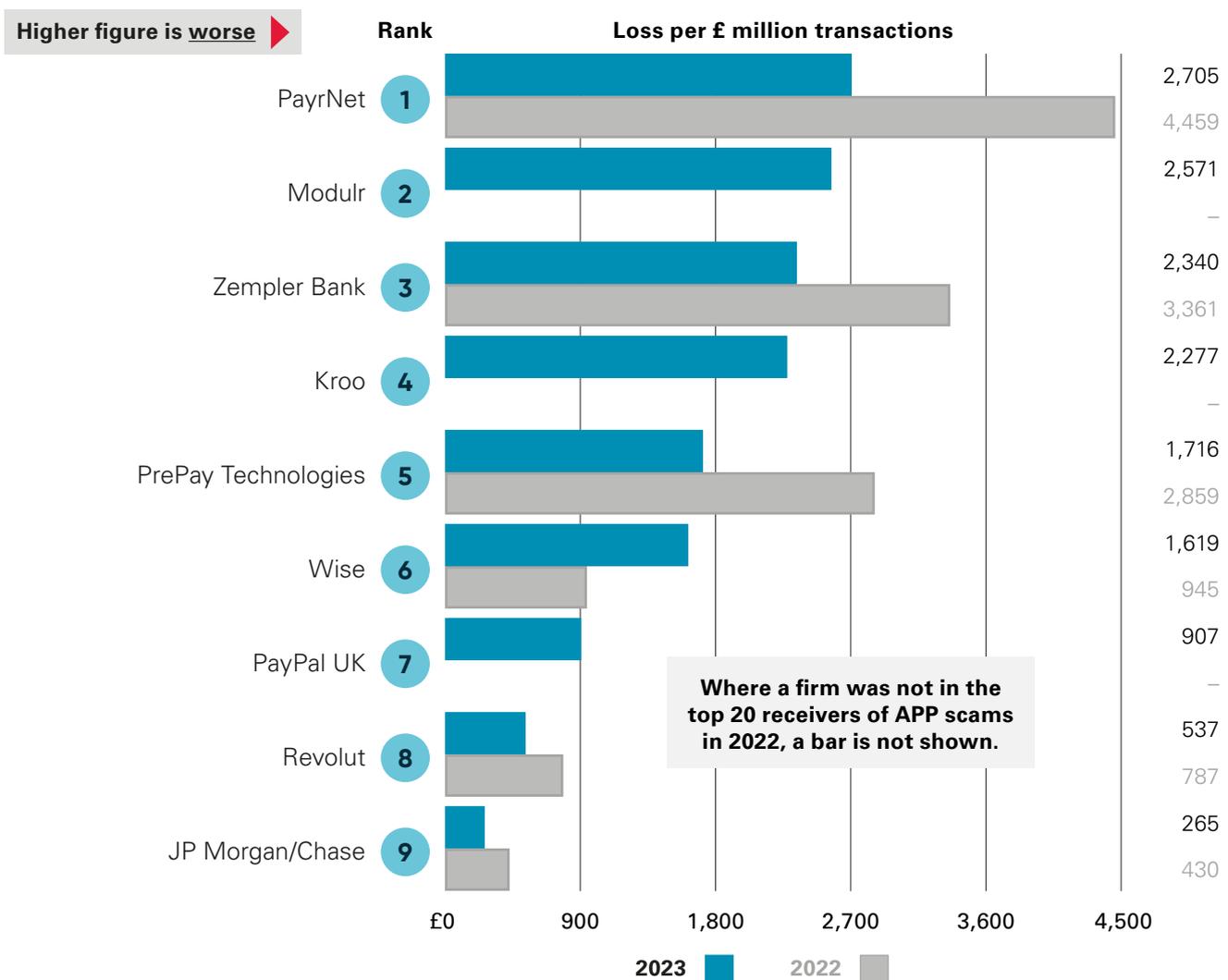
Firm type	APP scams	Consumer Faster Payments
Directed	62%	83%
Non-directed	38%	17%

Metric C: Volume of APP scams received per million transactions

Non-directed PSPs

This data shows which smaller banks and payment firms received the highest number of APP scam payments per million transactions. For example, for every 1 million transactions received by consumers at PayrNet, 2,705 of those transactions were APP scam payments.

Larger banks and payment firms are shown on [page 23](#). Firms were ranked from 1 to 20. A firm with rank 1 would have the highest APP scams rate.



Metric C: Volume of APP scams received per million transactions

Non-directed PSPs

Although the volume of scams received per million transactions by all non-directed PSPs in the UK has increased by 18% since 2022, amongst the top 20 worst performing firms, the scam rate of the worst performing firm in 2023 is nearly 70 times smaller than that of the worst performer in 2022.

Amongst the 20 firms that received the highest volumes of scam payments, scams received by non-directed firms account for just under half of total fraudulent transactions received. For comparison, non-directed firms received only 5% of consumer Faster Payments transactions.

There is less variation between non-directed firms receiving the highest volume of scams per million transactions in the UK than in 2022. The four firms with the highest volumes (PayrNet, Modulr, Zempler Bank and Kroo Bank) all have similar scam rates of between 2,000 and 3,000 APP scam payments per million transactions.

In 2022, Dzing Finance received the highest volume of APP scams per million transactions in the UK. Following the publication of our first report in October 2023, the Financial Conduct Authority (FCA) imposed restrictions on Dzing Finance to stop payments activity while introducing remediation measures. In 2023, they have not appeared on our list of top 20 firms receiving the highest rates of scams.

Kroo Bank are new to our list of firms receiving the highest volume of APP scams.

They recently launched a product called the Personal Current Account ('PCA') in December 2022 that has resulted in an increase in the value and volume of transactions received. Prior to this Kroo Bank offered an e-money account product that was closed to new customers.

% of APP scams received by volume by all directed and non-directed firms in the data

Firm type	APP scams	Consumer Faster Payments
Directed	47%	92%
Non-directed	53%	8%

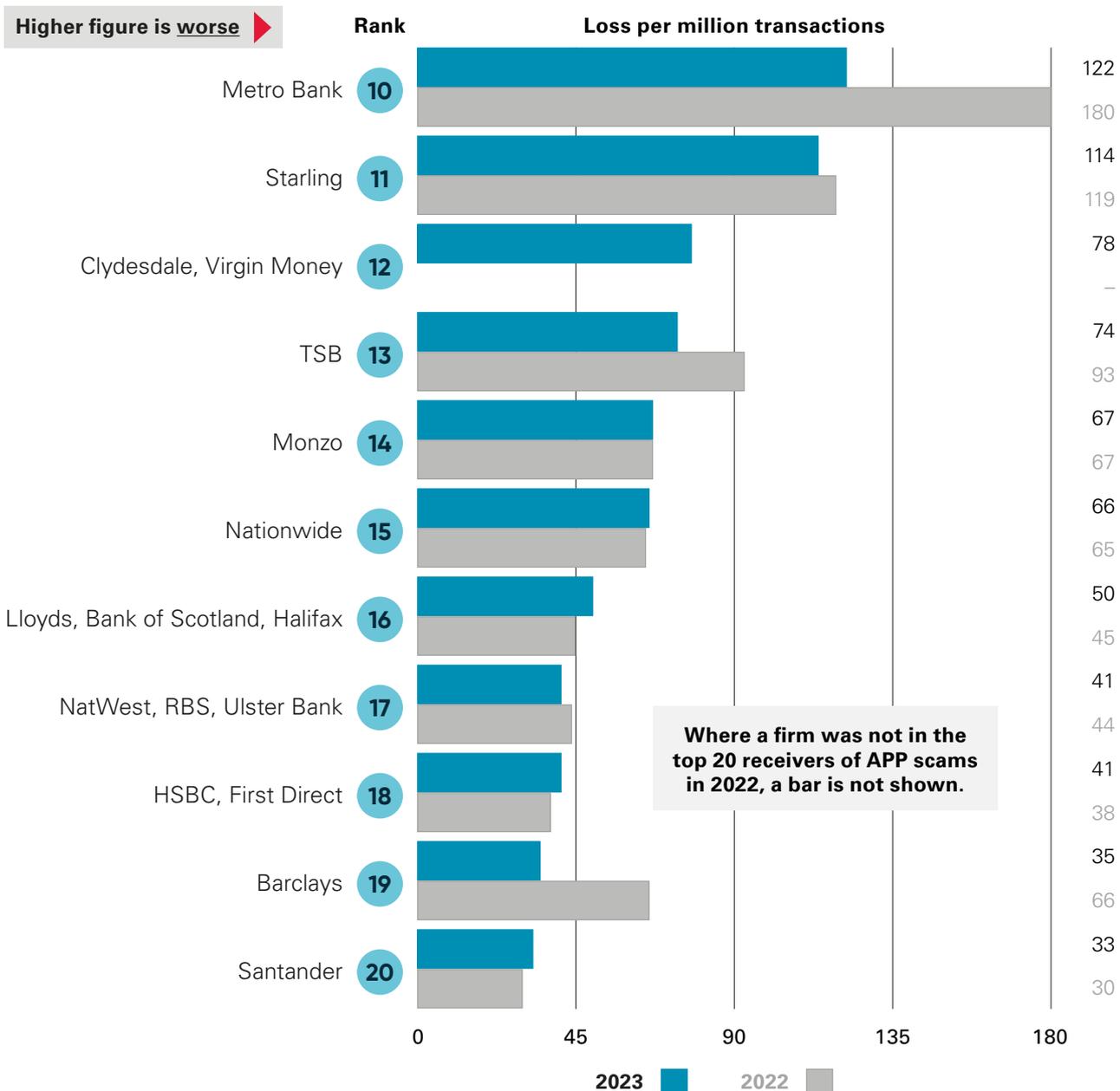
Metric C: Volume of APP scams received per million transactions

Directed PSPs

This data shows which larger UK banks received the highest number of APP scams payments per million transactions. For example, for every 1 million transactions received by consumers at Barclays, 35 of those transactions were APP scams payments.

Firms in the chart were identified as being in the top 20 receivers of scams by absolute volume in the UK in 2023. Firms were then ranked from 1 to 20, a firm with rank 1 would have the highest APP scams rate.

AIB, Danske and the Co-operative Bank are not included in this list despite being in the list of 14 directed PSPs. This is because they were not identified as being in the top 20 receivers of scams.



Metric C: Volume of APP scams received per million transactions

Directed PSPs

The volume of scams received per million transactions by larger banks in the UK has increased by 8% since 2022.

Of the directed firms, Metro and Starling remain the highest receivers of APP scams per million transactions for a consecutive year.

However, both received substantially fewer APP scams per million transactions compared to the highest receiving non-directed PSPs.

The directed firms that received the lowest rate of APP scams by volume were AIB, Danske and the Co-operative Bank.

% of APP scams received by volume by all directed and non-directed firms in the data

Firm type	APP scams	Consumer Faster Payments
Directed	47%	92%
Non-directed	53%	8%

What are we doing to drive better performance and improve outcomes for consumers?

The PSR has adopted a multi-pronged approach to tackling APP scams across payment systems



We are introducing a new reimbursement requirement in October 2024

The requirement will incentivise the industry to invest further in end-to-end scam prevention by making payment firms meet the cost of reimbursement. This will increase customer protections so most victims of APP scams are swiftly reimbursed, boosting confidence in the UK payments ecosystem and reducing harm to payment users.



Improved scam prevention through data sharing

Innovative solutions to prevent scams are critical to strengthening the payments ecosystem. We want to support intelligence-sharing between payment firms so that they can improve scam prevention in real time, for example, stopping or delaying high risk payments. We will seek views in the second half of 2024 on the best way to achieve system-wide protections to prevent APP scams.



Confirmation of Payee (CoP)

In 2019, we introduced the name and account checking service, Confirmation of Payee (CoP), by directing the six largest banking groups to implement it. CoP has helped reduce some types of APP scams, as well as misdirected payments. In 2022, we expanded the requirement to provide the service to include approximately 400 additional firms. By October 2024, nearly all consumer payments will be covered by CoP.



Protection of payment systems

We want Pay.UK, as the independent payment system operator, to run Faster Payments in a way that ensures customers are protected and scams are prevented from entering the system. We want Pay.UK to lead the development of protections for payment system users.



Fraud enabler data

The PSR is carrying out work to understand how entities outside of the payments sector are enabling contact between criminals and payments users who become victims of APP scams. We are gathering the information that payment firms collect on these companies and will consult on publishing this data in 2024.

Table 1: Summary of performance

How each firm has ranked across the metrics.

	Metric A		Metric B		Metric C	
	<i>A lower number is better – i.e. a rank of 1st is the 'best'</i>		<i>A higher number is better – i.e. a rank of 14th is the 'best'</i>		<i>A higher number is better – i.e. a rank of 20th is the 'best'</i>	
	Ranking (value)	Ranking (volume)	Ranking (value)	Ranking (volume)	Ranking (value)	Ranking (volume)
Directed PSPs						
AIB	14	14	14	12		
The Co-operative Bank	9	11	10	14		
Danske Bank	13	13	13	13		
Barclays	6	3	9	8		
Clydesdale, Virgin Money	7	9	7	7	12	12
HSBC UK, First Direct	3	6	8	11	15	18
Lloyds, Bank of Scotland, Halifax	8	8	3	6	17	16
Metro Bank	11	7	1	1	10	10
Monzo	12	12	5	2	14	14
Nationwide	2	1	4	3	16	15
NatWest, RBS, Ulster Bank	4	4	12	10	19	17
Santander	5	5	6	9	20	20
Starling	10	10	11	4	13	11
TSB	1	2	2	5	9	13
Non-directed PSPs						
ClearBank	–	–	–	–	8	
JP Morgan Chase	–	–	–	–	11	9
Kroo Bank	–	–	–	–		4
Modulr	–	–	–	–	5	2
PayPal UK	–	–	–	–		7
PayrNet	–	–	–	–	3	1
PrePay Technologies	–	–	–	–	4	5
Revolut	–	–	–	–	7	8
Skrill	–	–	–	–	1	
Wise	–	–	–	–	6	6
Zempler Bank	–	–	–	–	2	3

● Firm not identified in the top 20

● Data not requested by us

Table 2: Metric A year-on-year changes

How firm performance has changed since the last report was published.

	Value			Volume		
	Value reimbursed			Total cases ¹⁰ reimbursed		
	2022	2023	% change ⁹	2022	2023	% change ⁹
Sending PSPs						
AIB	10%	9%	-9%	12%	3%	-74%
Barclays	70%	72%	4%	92%	94%	2%
Clydesdale, Virgin Money	38%	68%	79%	60%	77%	29%
The Co-operative Bank	54%	49%	-10%	73%	71%	-3%
Danske Bank	20%	13%	-35%	17%	14%	-17%
HSBC UK, First Direct	73%	76%	5%	79%	86%	8%
Lloyds, Bank of Scotland, Halifax	49%	55%	11%	81%	84%	3%
Metro Bank	42%	46%	8%	70%	84%	19%
Monzo	22%	17%	-24%	14%	16%	12%
Nationwide	78%	87%	12%	95%	99%	5%
NatWest, RBS, Ulster Bank	62%	76%	23%	76%	92%	21%
Santander	63%	73%	15%	83%	87%	5%
Starling	37%	48%	31%	50%	76%	54%
TSB	91%	88%	-4%	98%	99%	0%

⁹ The table uses percentage change to track the reimbursement performance between 2022 and 2023. This is not the same as a percentage point change.

¹⁰ Total cases reimbursed includes both partially and fully reimbursed cases.

Table 3: Metric B year-on-year changes

How firm performance has changed since the last report was published.

	Value			Volume		
	Rate of scams per £ million			Rate of scams per million		
	2022	2023	% change	2022	2023	% change
Sending PSPs						
AIB	£23	£38	65%	40	56	40%
Barclays	£144	£135	-7%	95	91	-4%
Clydesdale, Virgin Money	£156	£160	2%	56	92	66%
The Co-operative Bank	£196	£125	-36%	53	51	-4%
Danske Bank	£57	£44	-23%	39	54	39%
HSBC UK, First Direct	£234	£159	-32%	67	58	-13%
Lloyds, Bank of Scotland, Halifax	£274	£228	-17%	106	105	-1%
Metro Bank	£280	£266	-5%	127	137	8%
Monzo	£280	£213	-24%	141	131	-7%
Nationwide	£207	£219	6%	84	129	53%
NatWest, RBS, Ulster Bank	£134	£92	-32%	105	88	-16%
Santander	£322	£162	-50%	117	89	-24%
Starling	£112	£105	-6%	127	124	-2%
TSB	£348	£266	-24%	100	108	8%

Table 4: Metric C year-on-year changes

How firm performance has changed since the last report was published.

	Value			Volume		
	Rate of scams per £ million			Rate of scams per million		
	2022	2023	% change	2022	2023	% change
Receiving PSPs						
Barclays	£217	£67	-69%	66	35	-47%
Zempler Bank (formerly Cashplus Bank)	£5,916	£4,523	-24%	3,361	2,340	-30%
ClearBank	£1,575	£525	-67%	636		
Clydesdale, Virgin Money	£205	£285	39%		78	
HSBC UK, First Direct	£129	£128	-1%	38	41	8%
JP Morgan Chase	£334	£289	-13%	430	265	-38%
Kroo Bank					2,277	
Lloyds, Bank of Scotland, Halifax	£115	£128	11%	45	50	13%
Metro Bank	£696	£319	-54%	180	122	-32%
Modulr		£1,210			2,571	
Monzo	£227	£183	-19%	67	67	0%
Nationwide	£155	£128	-18%	65	66	2%
NatWest, RBS, Ulster Bank	£76	£61	-20%	44	41	-7%
PayPal UK					907	
PayrNet	£5,765	£2,814	-51%	4,459	2,705	-39%
PrePay Technologies	£4,814	£2,512	-48%	2,859	1,716	-40%
Revolut	£1,158	£756	-35%	787	537	-32%
Santander	£44	£41	-7%	30	33	8%
Skrill		£18,550				
Starling	£307	£239	-23%	119	114	-5%
TSB	£605	£408	-32%	93	74	-21%
Wise	£867	£974	12%	945	1,619	71%

 Firm not identified in the top 20

Tables 5-6: APP scams sent

Table 5: Total APP scam values and case volumes sent by scam type.

Scam type	Case Value (£)			Case Volume		
	2022	2023	% change	2022	2023	% change
Purchase	£67,310,870	£85,169,655	27%	133,595	176,685	32%
Investment	£85,736,634	£68,732,511	-20%	11,107	10,611	-4%
Impersonation: Police/bank staff	£98,515,912	£65,705,019	-33%	17,109	10,357	-39%
Impersonation: Other	£61,886,870	£46,497,418	-25%	28,960	24,384	-16%
Romance	£25,234,272	£27,454,960	9%	4,007	4,824	20%
Advance fee	£27,362,461	£26,613,253	-3%	26,950	22,623	-16%
Invoice and mandate	£19,587,545	£17,416,604	-11%	2,590	2,188	-16%
CEO scam	£2,347,287	£1,680,239	-28%	168	189	13%
Unknown scam type	£1,040,607	£1,382,950	33%	117	765	554%
All scam types	£389,022,456	£340,652,609	-12%	224,603	252,626	12%

Distribution of APP scam cases – types of scams across case value categories

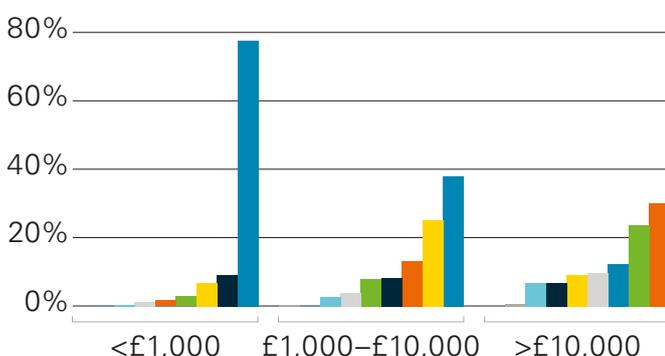
Table 6.1: Number of cases in each case value category.

Case value category	Case volume	Share of total
< £1,000	207,654	82%
£1,000–£10,000	38,938	15%
> £10,000	5,610	2%

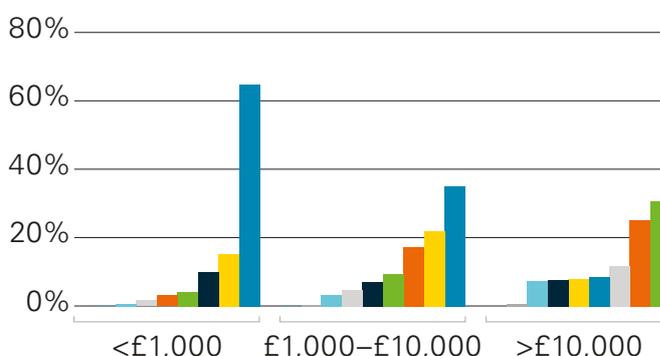
Table 6.2: Total value of cases in each case value category.

Case value category	Case value	Share of total
< £1,000	£45,418,531	14%
£1,000–£10,000	£115,059,584	34%
> £10,000	£175,090,459	52%

Distribution of cases (%) by scam type across case volume



Distribution of losses (%) by scam type across case value



- Advance fee
- CEO fraud
- Impersonation: police/bank staff
- Impersonation: other
- Investment
- Invoice and mandate
- Purchase
- Romance
- Unknown scam type

Tables 7-9: Total APP scams for the industry

We listened and have acted upon concerns raised by firms of publishing absolute value and volume scam data at an individual firm level. In this report, alongside the data on firm rankings, we have included a wider set of aggregated sectoral data.

For future cycles, we will keep open the possibility of publishing absolute value and volume scam data at a firm level, as it may highlight trends, issues and provide greater context to individual firm data

Table 7: Total volume and values of APP scams sent by the 14 largest banking groups.

	APP scams sent			Total value reimbursed
	Total value	Total cases	Total transactions	
Directed PSPs	£340,652,609	252,626	435,755	£226,925,684

Table 8.1: Total value of APP scams received by PSPs identified as the top 20 receivers of APP scams.

	Total value
Directed PSPs	£191,840,039
Non-directed PSPs	£88,574,616

Table 8.2: Total volume of APP scams received by PSPs identified as the top 20 receivers of APP scams.

	Total volume
Directed PSPs	204,197
Non-directed PSPs	194,917

Table 9.1: Total absolute volume of APP scams and the average scam rate for PSPs identified as the top 20 receivers of APP scams aggregated by firm size.

Firm size – volume of consumer Faster Payments transactions received	No. of firms	Total volume of cases	Average scam rate
Between 1m and 10m	4	33,122	2,057
Between 10m and 100m	6	117,893	1,062
Greater than 100m	10	248,099	106

Table 9.2: Total absolute value of APP scams and the average scam rate for PSPs identified as the top 20 receivers of APP scams aggregated by firm size.

Firm size – value of consumer Faster Payments transactions received	No. of firms	Total value of cases	Average scam rate
Less than £10bn	5	£34,504,503	£5,922
Between £10bn and £100bn	10	£116,097,550	£411
Greater than £100bn	5	£129,812,601	£85

Tables 10–11: Total APP scams for the industry

APP scams received by all firms in the data

Table 10.1: Total absolute volume of APP scams by all PSPs in the data.

	Transaction volume	As a % of	
		Total APP scam volume received	Consumer Faster Payments volume received
Non-directed	230,199	53%	8%
Directed	205,528	47%	92%
Five largest firms	138,421	32%	68%

Table 10.2: Total absolute values of APP scams by all PSPs in the data.

	Total value	As a % of	
		Total APP scams value received	Consumer Faster Payments value received
Non-directed	118,456,643	38%	17%
Directed	193,046,836	62%	83%
Five largest firms	129,812,601	42%	69%

APP scams received by the top 20 receivers of APP scams

Table 11.1: Total absolute volume of APP scams for top 20 PSPs in the data.

	Transaction volume	As a % of	
		Total APP scams volume received	Consumer Faster Payments volume received
Non-directed	194,917	49%	5%
Directed	204,197	51%	95%
Five largest firms	138,421	35%	72%

Table 11.2: Total absolute values of APP scams for top 20 PSPs in the data.

	Total value	As a % of	
		Total APP scams value received	Consumer Faster Payments value received
Non-directed	88,574,616	32%	6%
Directed	191,840,039	68%	94%
Five largest firms	129,812,601	46%	80%

Note: The firms with the five highest values and volumes of consumer Faster Payments received have been grouped under the classification of 'five largest firms'. This grouping has been done separately for value and volume, and the firms included in the top 5 may differ between the value and volume categories.

Technical annex

Data notes

Metric A	FOS reimbursements have been excluded when calculating reimbursement rates for firms.
Metric B	<p>Any statistics related to sending APP scam losses in 2023 have been calculated excluding any recoveries made by firms unless specified otherwise.</p> <p>The data on APP scams sent split by case value does not include any APP scam cases from seven banks that were escalated to the FOS. These banks are Santander, the Co-operative Bank, NatWest, Lloyds, Nationwide, Clydesdale Virgin Money and Monzo. This is due to limitations in separating these cases out by case value.</p> <p>Excluding these cases in the breakdown of APP scams by scam value does not make any material difference, as these cases represent approximately 1% of APP scam losses by value and less than 0.5% by volume.</p>
Metric C	<p>We subtracted any money recovered and returned to the victims when calculating Metric C statistics for 2023.</p> <p>While we would expect there to be consistency between the volume and value of APP scams sent (Metric B) and the volume and value of APP scams received (Metric C), this is not always the case, with some firms unable to identify the receiving firm in some cases.</p> <p>As firms improve the way they capture data on APP scams for future cycles, we would expect the consistency between these metrics to improve.</p> <p>We have made adjustments to the consumer Faster Payments in the case of some PSPs where this data was inconsistently reported by sending banks, especially where indirect PSPs were the receiving firms.</p>

Scam type definitions

Scam type	Definition
Advance fee	A scammer convinces a victim to pay an upfront fee for a good or service that they never receive.
CEO scam	A scammer impersonates the CEO of the victim's place of work and convinces them to make an urgent payment.
Impersonation	A scammer pretends to be the police, bank staff or a friend or family member to convince the victim to make a payment.
Investment	A scammer convinces a victim to make a payment into an investment that isn't real with the promise of a high return. The scammer may be pretending to be a financial advisor and using cold calling to reach out to the victim.
Invoice and mandate	A scammer sends a fake invoice to a victim to request payment for a good or service.
Purchase	A victim pays in advance for a good or service that they don't receive. The scammer may create a fake website or advertise a false product on social media.
Romance	A scammer feigns a romantic interest in the victim to win their trust and manipulate them into sending money.



You can find out more about different scam types in UK Finance's annual fraud report.

Glossary

Concept	Definition
Authorised push payment (APP) scams payment	<p>A payment made as part of an APP scam. The new reimbursement requirement applies to payments executed by the sending PSP, in accordance with an authorisation given by its customer, to an account controlled by a person other than the customer, where the customer has been deceived into granting that authorisation as part of an APP scams case. This includes where:</p> <ul style="list-style-type: none"> ▶ the payer intends to transfer the funds to a person other than the recipient, but is deceived into transferring the funds to the recipient ▶ the payer intends to transfer the funds to the recipient but is deceived as to the purposes for which they are transferring the funds
Directed PSP	<p>A PSP subject to this direction that submits data on:</p> <ul style="list-style-type: none"> ▶ APP scams sent from its accounts ▶ which PSPs are receiving those APP scams ▶ reimbursement of APP scams losses suffered by its customers
Faster Payments	<p>The UK electronic payment system that provides near real-time payments, as well as standing orders and forward-dated payments, operated by Pay.UK. Over 90% of APP scams losses occur over Faster Payments, based on UK Finance data.</p>
Indirect PSP	<p>An organisation is considered to have indirect access to a payment system if it has a contractual arrangement with an indirect access provider, that is an organisation that already has direct access to that payment system. Less than 3% of FCA-regulated financial institutions are direct participants in Faster Payments, so most PSPs are indirects.¹¹</p>
Payment service provider (PSP)	<p>A provider of payment services to customers typically through the provision of accounts. A PSP may be a bank, an e-money institution, a building society or a payment institution. In the UK, a PSP must be authorised and regulated by the FCA. PSPs may be direct PSPs or indirect PSPs, depending on whether they are able to initiate payments directly in a payment system or only via an indirect access provider.</p>
Receiving PSP	<p>The payment service provider that operates the account into which a payment is received in the UK via Faster Payments.</p>
Sending PSP	<p>The payment service provider that operates the account from which a payment is sent. This is where the victim of APP scams is holding their account.</p>

¹¹ UK Finance, [Access to Payments Systems](#) (July 2023).

Entity legal names

Firm names and brands

Legal entity/parent group

AIB	AIB Group (UK) plc
Barclays	Barclays Bank UK plc
ClearBank	ClearBank Limited
Clydesdale, Virgin Money	Clydesdale Bank plc/Virgin Money UK plc
The Co-operative Bank	The Co-operative Bank plc
Danske Bank	Northern Bank Limited
Dzing Finance	Dzing Finance Limited
HSBC, First Direct	HSBC UK Bank plc
JP Morgan Chase	J.P. Morgan Europe Limited
Kroo Bank	Kroo Bank Ltd
Lloyds, Bank of Scotland, Halifax	Lloyds Bank plc/Bank of Scotland plc
Metro Bank	Metro Bank plc
Modulr	Modulr Finance Ltd
Monzo	Monzo Bank Limited
Nationwide	Nationwide Building Society
NatWest, RBS, Ulster Bank	National Westminster Bank plc/Royal Bank of Scotland plc/ Ulster Bank Limited
PayPal UK	PayPal UK Ltd
PayrNet	PayrNet Limited
PrePay Technologies	PrePay Technologies Limited
Revolut	Revolut Limited
Santander	Santander UK plc
Skrill	Skrill Limited
Starling	Starling Bank Limited
TSB	TSB Bank plc
Wise	Wise Payments Limited
Zempler Bank (formerly Cashplus Bank)	Zempler Bank Limited

The 14 largest banking groups in the UK

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