

Policy statement

APP scams publication guidance

Consultation response
to CP24/7

July 2024

1 Executive summary

This consultation response document accompanies our guidance on the publication of authorised push payment (APP) scams data for the second reporting cycle (January to December 2023) and should be read alongside it. It discusses the responses we received to consultation CP24/7 and the changes that we have made to the publication guidance. We may issue updated publication guidance for each reporting cycle.

Introduction

- 1.1** APP scams are a major problem in the UK. We want to prevent APP scams happening in the first place and, where they do occur, to protect people who fall victim to them.
- 1.2** As part of a wider package of measures, we required the 14 largest payment service providers (PSPs) in England and Northern Ireland (directed PSPs) to report APP scams performance data to us.¹
- 1.3** In October 2023, we published our first report on our website. We also required the 14 directed PSPs to publish a subset of this data on their respective homepages. This requirement is set out in Specific Direction 18 (published in March 2023 and revised in December 2023).² To support directed PSPs with publishing this comparative data, we provided guidance in October 2023.³ In this guidance, we asked directed PSPs to publish the data in chart form.
- 1.4** Our work on the publication of APP scams data is part of a broader package to ensure that measures and incentives are in place across the payments industry to prevent and better support victims of scams.
- 1.5** This information will help consumers assess each PSP's performance on APP scams.

1 The 14 largest PSP groups in England and Northern Ireland are: AIB Group (UK) plc; Bank of Scotland plc; Barclays Bank UK plc; Clydesdale Bank plc/Virgin Money UK plc; The Co-operative Bank plc; Northern Bank Limited; HSBC UK Bank plc; Lloyds Bank plc/Bank of Scotland plc; Metro Bank plc, Monzo Bank Limited; Nationwide Building Society; National Westminster Bank plc/Royal Bank of Scotland plc/Ulster Bank Limited plc; Santander UK plc; Starling Bank Limited; and TSB Bank plc.

2 See [Specific Direction 18](#) (December 2023).

3 [Publishing APP fraud data: A guide for PSPs](#) (October 2023).

Our consultation

1.6 On 7 May 2024, we consulted on proposed changes to the publication guidance for cycle 2 (CP24/7).⁴

1.7 We received five responses. The respondents were:

Organisation type	Number of responses
Trade body	2
Directed PSP	3
Total	5

1.8 We would like to thank all respondents that took the time to respond to our consultation on the publication guidance for cycle 2 (CP24/7). We look forward to your continued engagement as we take this work forward.

Responses to our consultation and our views

1.9 Below we set out the points that we consulted on in CP24/7, the responses we received and our decisions following consultation.

Allowing PSPs to publish APP scams data on their fraud centres in addition to their homepage

1.10 From consumer testing, we found that some consumers were unfamiliar with their PSP's homepage. When searching for the information, consumers gravitated towards the fraud centres of their PSP's website.

1.11 We proposed enabling directed PSPs to publish APP scams data on their fraud centres in addition to their homepages.

1.12 We received two responses on this point, both of which were supportive of our proposal. We are therefore enabling directed PSPs to publish the data on their personal banking homepages and on the fraud sections of their websites, should they wish to do so. (Please see paragraphs 2.1 to 2.2 of our guidance – [Publishing APP scams data](#).)

1.13 In the long term, we will revisit where this data is published.

⁴ [CP24/7: APP scams data cycle 2 publication guidance](#) (May 2024).

Publishing performance data only for cycle 2

- 1.14** Cycle 1 was the first time we required directed PSPs to publish data on APP scams. In guidance for cycle 1, we had asked directed PSPs to publish performance data for 12 months on their homepages.
- 1.15** We recognise that cycle 2 data is being published within 12 months of cycle 1. As such, we proposed to require directed PSPs to only publish performance data in relation to cycle 2.
- 1.16** We received two responses, both of which were supportive of our proposal. We have amended the guidance to reflect that PSPs do not need to keep cycle 1 data on their homepages for 12 months if the PSR requires directed PSPs to publish the next cycle of data. For example, if the PSR requires directed PSPs to publish cycle 2 data, directed PSPs will no longer be required to keep cycle 1 data on their homepages. (Please see paragraph 2.16 of our guidance – [Publishing APP scams data](#).)

Directed PSPs will receive the charts for publication after market opening on publication day

- 1.17** Following the publication of cycle 1, we requested feedback on the process from PSPs named in our publication. We heard from PSPs that they would like more clarity on when they will receive the final charts. In response, we proposed to amend our guidance to provide clarity that PSPs will receive the final charts on the morning of our publication date after markets open.
- 1.18** We received two responses. One was supportive while the other had misunderstood our proposal, thinking that we were asking directed PSPs to publish the charts on our publication day.
- 1.19** In response, we have amended the guidance to make it clear that directed PSPs are not required to publish the data on the same day that we publish our report. Directed PSPs will have 28 working days to publish the charts from the date of our publication – i.e., publication date is day 1. We have also clarified in our publication guidance that due to the sensitivities of the data, we are unable to send directed PSPs the charts in advance of our publication date. (Please see paragraphs 2.5 to 2.6 and 2.15 of our guidance – [Publishing APP scams data](#).)

Adding a scale to the charts to indicate best and worst performers

- 1.20** Consumer testing showed that consumers struggled to understand the variations in the rankings, where a rank of 1 indicated the best performing PSP in the metric A chart and 1 also indicated the worst performing PSPs in the metrics B and C charts. We proposed to add a scale so that consumers could quickly identify who were the best and worst performing PSPs over the reporting period.
- 1.21** We received two responses, both of which were supportive of our proposal. One respondent highlighted that the format of the chart would mean that in the case of the worst label, this may appear beside the directed PSP publishing the information, making that PSP look as if it was the worst PSP in total, when these charts were only a subset of the performance of PSPs.
- 1.22** Having considered this feedback, we have decided that the charts will only include one identifying label on the upper end of the chart, to indicate if this is a best performing or worst performing PSP. (Please see Annex 1 of our guidance – [Publishing APP scams data.](#))

Updating the text to accompany the charts

- 1.23** Consumer testing showed that consumers struggled to understand some of the terminology used. We proposed to amend the text that directed PSPs are required to publish to make it more user-friendly.
- 1.24** We received two responses, both of which were supportive of our proposal to use 'scam' over 'fraud' which they felt was clearer for consumers. (Please see Annex 1 of our guidance – [Publishing APP scams data.](#))

Indicating a PSP's year-on-year change in performance

- 1.25** Cycle 2 is the first time we have had two years of data on APP scams. We wanted to use this data by including a figure to the right of the charts showing a change in the performance of directed PSPs from the year before. We proposed to do this only for the directed PSP publishing the chart.
- 1.26** We received two responses, one of which was supportive of our proposal and one which disagreed. One respondent felt that including the year-on-year change would not aid consumer understanding of the data.
- 1.27** We disagree that this information would not be useful to consumers. This information gives consumers a relative indication of whether the performance of a PSP has improved or declined, which may be helpful for consumers when choosing who to bank with. We have therefore decided to retain the percentage change but will amend the description so that consumers are aware that the percentage change reflects the PSP's 2023 performance against its performance in 2022. (Please see Annex 1 of our guidance – [Publishing APP scams data.](#))

Absolute APP scams figures

- 1.28** In cycle 1, we proposed to publish absolute APP scams data for the top 20 receiving PSPs and the 14 directed PSPs in our report. Ahead of publication, we received representations from industry bodies on the inclusion of this data.
- 1.29** Having considered stakeholders' views, we decided on balance to publish aggregated absolute APP scams data for directed and non-directed PSPs.
- 1.30** We made it clear in our formal response to trade bodies that we would publish absolute APP scams data for individual PSPs in future cycles. Given this, we did not consult on this point in CP24/7. Furthermore, we did not consult on this as directed PSPs were not required to publish the absolute figures.
- 1.31** We did however update our draft publication guidance to reflect our intention to include absolute figures in our report.
- 1.32** We received five consultation responses all querying the inclusion of absolute APP scams figures. The main issues raised were:
- A lack of clarity on how the data would be displayed and what metrics the data would show
 - Absolute figures providing an inaccurate view of performance
 - Unclear objectives in publishing the data
 - A consultation not being held on this point
- 1.33** We have considered stakeholders views and the benefits and disbenefits of publishing absolute APP scams figures. Our view is the publication of absolute APP scams data can play an important role both at a PSP level and an aggregate level by providing important context which gives consumers a more meaningful representation of APP scams activity across the industry and on the performance of individual PSPs. For example, data from cycle 1 highlighted that some firms have a higher fraud rate but lower absolute fraud figures, while the reverse is true for other firms. We also consider data trends presented at an aggregate level provide a useful insight for consumers on the overall fraud landscape.
- 1.34** For cycle 2, we have decided we will publish aggregate absolute APP scams data and we will consider further what data would be most useful for consumers. The data we publish will not identify the absolute APP scams data at an individual PSP level for cycle 2. (Please see paragraph 2.21, bullet 4 of our guidance – [Publishing APP scams data](#).)
- 1.35** For future cycles, it is important that we are flexible on the detail of the publication formats. This is because there may be unexpected issues and patterns that become apparent when we analyse the data received. We want to be able to present and highlight such patterns suitably. This is why it is important to keep open the prospect of publication of absolute APP scams data at a PSP level for future cycles. We have taken on board stakeholders' views and expect to consult on publishing absolute APP scams data at a PSP level for future cycles.

PUB REF: PS24/2

© The Payment Systems Regulator Limited 2024

12 Endeavour Square

London E20 1JN

Telephone: 0300 456 3677

Website: www.psr.org.uk

All rights reserved