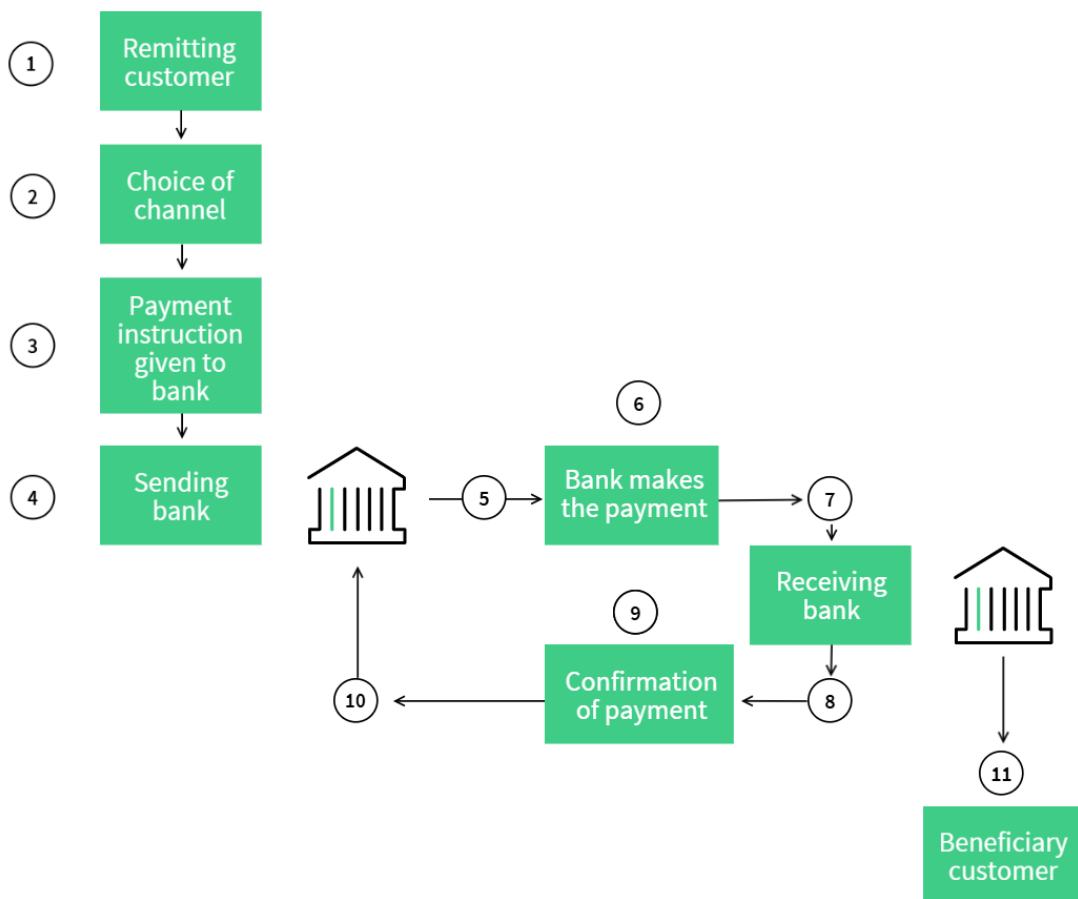




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While customers and businesses can enjoy the convenience that near-instant payments bring, without necessarily needing to understand how the Faster Payment System works, for prospective participants the below diagram gives an overview of the payment flow process.



Where both the sending and receiving bank or building society are direct participants of the Faster Payment System, funds are usually available almost immediately, although they can sometimes take up to two hours.

These timescales can still apply if either the sending or receiving bank is not a direct participant. Some payments will take longer, especially outside of normal working hours.

As a minimum, all financial institutions in the UK must abide by the Payment Services Directive (PSD) – this states that any payments made by mobile, internet or phone banking (including standing orders) must arrive by the end of the following business day at the latest.

Due to their real-time nature, once sent Faster Payments cannot be cancelled. However, banks and building societies in the UK that offer Faster Payments follow industry-wide procedures known as the Credit Payment Recovery process, setting out the help they must offer when a mistake has been made in sending a payment.

In addition, Confirmation of Payee – a name checking service for UK-based payments which Pay.UK launched in 2020 – has now been successfully implemented by a number of UK banks, building societies and other payment service providers, with the aim of reducing certain types of fraud, as well as misdirected payments. For more information about Confirmation of Payee see below.

As a very small number of UK accounts (less than 0.1%), such as some savings accounts, do not accept Faster Payments. Our **sort code checker** allows users to check if the sort code of the destination account accepts this type of payment.