

Chapter 9

Payment Systems Regulator funding

PSR fees methodology

The table below shows the methodology used by the *FCA* to determine the *PSR fee* applicable to *PSR fee payers* for each *fee year*.

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>Bacs</i>	All transactions processed through the <i>BACS regulated payment system</i> . Transactions include both the initiation of the transfer of the funds, and the receipt of transferred funds.	The full calendar year (1 January to 31 December) before the start of the relevant fee year. For example this would be 1 January to 31 December 2017 for the 2018/2019 fee year.	$V_o = (PSR's\ AFR \times 80\%) \times \text{the } PSR\ \text{fee payer's percentage share of the volume block}$ $\text{A } PSR\ \text{fee payer's percentage share of the volume block} = \left(\frac{\text{Sum of that } PSR\ \text{fee payer's relevant transaction volumes in all systems}}{\text{Sum of all } PSR\ \text{fee payers' relevant transaction volumes across all systems}^*} \right)$	$V_a = (PSR's\ AFR \times 20\%) \times \text{the fee payer's percentage share of the value block}$ $\text{A } PSR\ \text{fee payer's percentage share of the value block} = \left(\frac{\text{Sum of that } PSR\ \text{fee payer's relevant transaction values in all systems}}{\text{Sum of all } PSR\ \text{fee payers' relevant transaction values across all systems}^{**}} \right)$	Fees allocated to a PSR fee payer = its fees under the volume block (Vo) + its fees under the value block (Va)
<i>C&C</i>	All transactions processed through the <i>C&C regulated payment system</i> . This includes 'in clearing' and 'out clearing' transactions in paper clearing, and the payment and the receipt of the transfers of funds in image clearing.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>CHAPS</i>	All MT103 and MT202 transactions processed through the <i>CHAPS regulated payment system</i> . Transactions include both the initiation of the transfer of the funds, and the receipt of transferred funds.				
<i>FPS</i>	All transactions processed through the <i>FPS regulated payment system</i> . Transactions include both the initiation of the transfer of funds, and the receipt of transferred funds.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>LINK</i>	All transactions issued and acquired under the <i>LINK regulated payment system</i> , including GBP cash withdrawals, foreign currency dispenses, balance enquiries, PIN management, charity donations, non-cash transactions and mobile payment transactions but excluding 'on us' transactions. Both issuing and acquiring transactions are taken into account.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>Mastercard</i>	<p>All transactions by acquirers operating in the United Kingdom and transactions by card issuers operating in the United Kingdom under the Mastercard regulated payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All Mastercard branded transactions are included irrespective of the processing entity (Mastercard itself, a third party processing entity or 'on us' transactions). Both issuing and acquiring transactions are taken into account.</p>				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>NICC</i>	All transactions including 'in clearing' and 'out clearing' transactions for GBP, USD and EUR processed through the <i>NICC regulated payment system</i> .				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<p><i>Visa</i></p>	<p>All transactions by acquirers operating in the United Kingdom and transactions by card issuers operating in the United Kingdom under the Visa regulated payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All Visa branded transactions are included irrespective of the processing entity (Visa itself, a third party processing entity or 'on us' transactions). Both issuing and acquiring transactions are taken into account.</p>				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
AmEx Diners Club JCB UPI	All IFR transactions by acquirers operating in the United Kingdom and IFR transactions by card issuers operating in the United Kingdom (or by the operator of that IFR card payment system acting as such an acquirer or card issuer) under that IFR card payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All transactions under the brand of that IFR				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<p><i>card payment system</i> are included irrespective of the <i>processing entity</i> (the <i>operator</i> or the <i>IFR card payment system</i> itself, a third party <i>processing entity</i> or '<i>on us</i>' <i>transactions</i>). Both issuing and acquiring transactions are taken into account for each <i>IFR card payment system</i>.</p>					
<p>Notes:</p> <p>* The PSR will publish this figure annually. The figure represents the sum of all PSR fee payers' relevant transaction volumes across all systems in the relevant time period.</p> <p>** The PSR will publish this figure annually. This figure represents the sum of all PSR fee payers' relevant transaction values across all systems in the relevant time period.</p>					