

SpartaPay: Payment Facts

The things banks do not want to tell you!

UK Domestic-Hidden charges

- In the UK £288 billion in cash handled per year plus cash in the form of debit cards. (TFL 2005 report).
- The fastest growth in plastic is not in credit cards but cash and debit cards, of which 54% is women users who can budget better than men.
- In 2004-5 banks increased their cost to SME's by 16% (The Times).
- The OFT has criticised card companies for misleading, and sharp practices and excessive charges in 2005.
- Banks over 30 years have worked hard to convert a service design as an emergency to become the dominant mode of granting a loan for any purpose.
- The UK government spend £1.2 billion on the Horizon project, which was meant to give citizens accounts and direct payments to low income and social security claimants, before abandoning the project as unworkable. Banks and the Post office was happy to take the cash for development with no return to the tax payer.
- It costs a bank on average of £75 to £120 per account holder per year. Unless they make money they will not help. What incentive do they have?
- Banks have increased charges by 16% in one year (The Times 16th Oct 2005).
- Banks make no money on low income customers and being forced by the government to give accounts to every one,
- they have increased their hidden charges from the post of returned cheques, bank overdrafts and other services.
- VISA is busy promoting e-procurement with a government funded programme of £500m, which is nothing but a version of the corporate credit cards, claiming to reduce government procurement costs. If it's that good why do they need £500m?
- Why is it costing up to £4 billion to £16 billion for the roll out of smart cards with ID when other countries have done them cheaper?

Business Overseas Trading-High Risk

- Over 60% of all 'letters of credit' are disputed creating payment problems
- Most invoices for SME's are not paid for 62 days in the UK. In Europe the delay is 110 days or more.
- The cost of payment delays runs into billions.
- Only 7% of users have any trust or interest in online payments or internet based services.
- Export trading involves a higher degree of risk than any other. (America Export institute July 2001).
- 24% of online businesses suffer from charge backs by accepting only credit cards as a payment method.

Credit Cards Facts-Not what it seems

- Overall 76% of the world buyers do not use credit cards. Visa claim that 281 m people have credit cards against the world population of 6.6 billion at the time of print.
- European citizens general prefer not to use credit. In fact 78% do not use credit cards.
- The large growth cards plastic in the last 5 years is in cash cards (debit cards).
- The normal charge by banks for credit card and debit card usage is 4%-6% and these are passed on to customers (see WorldPay-owned by RBS or Netbanx websites).
- Some like Ikea have taken a stand against this excessive charge by letting the customer know that they will pay an extra 70p for using credit cards. Most merchants simply pass this on to buyers.

Country	Population	No. Credit Cards	No. non-Credit Card Holders	Excluded Users
UK	60.44 m	43.4 m	17 m	28.1%
Spain	40.34 m	19.6 m	20.7 m	51.3%
France	60.66 m	2 m	58.66 m	96.7%
EU	456.95 m	108.8 m	348.15 m	76.2%