



Beat the post bank holiday blues!

Bacs reveals a 'smart' way to create more holiday time per year

In the time you save using Direct Debit over a year you could do the following:

- Travel to Paris and back!
- Have an extra day's worth of leisure time i.e. the national average is 5.25 hrs a day!
- Read a book (average readers read 200wpm) which is 84,000 words in 7 hrs!
- Cook a 14lb turkey
- Fly to New York
- Enjoy a spa day
- Watch at least four extra football matches

Following the last summer bank holiday of the year, Bacs Payments Schemes Limited (Bacs) has uncovered a smart way to create more free time - latest research suggests that up to seven hours a year can be saved just by using Direct Debit to pay for regular bills.

That works out at more than half an hour's extra free time a month - and that equates to almost a working day over the year.

The calculation was formulated by Direct Debit expert, Payments Professor Terry Smart who can be found with the rest of The Smarts family at www.thesmartwaytopay.co.uk. They use Direct Debit to help them save time and money. Terry has devised his timesaving calculation as follows:



$$(A \times B) + (C + D) \times E - F = \text{Time saved by Direct Debit}$$

A= Number of individual bills per year 5*

B= Time taken to complete a bill slip/write cheque 2.7

C= Length of time to find cheque book 10***

D= Length of time to walk to post box 20****

E= Average frequency of payment per year per bill 11*****

F= Five minutes a month to check Direct Debit payment 60

Total = 418.5 mins or 6.97 hrs

This is an annual survey sponsored by Bacs. The survey, which began in 1988, provides a consumer based measure of financial behaviour and includes attitudes to money, banking behaviour, and Direct Debit. The fieldwork, which is representative of the UK population, is carried out by IPSOS-MORI.

**Based on feedback from a cross section of consumers who were timed filling in a cheque and the supporting bill payment slip

***Based on feedback from a cross section of consumers

****Based on Post Office information there are 116,000 post boxes in the UK. The UK is 241,590 sq km which equates to 1 post box every 2 sq km on average. With the average person walking at just under 5 km per hour, it takes around 20 minutes to walk the 2 km.

*****Taken from CPS



About Bacs:

Selected as a 2007 Business Superbrand, Bacs is a not-for-profit, membership-based industry body, owned by 13 of the leading banks and building societies in the UK and Europe. For almost 40 years, Bacs has been at the heart of the payments industry. It is responsible for the schemes behind the clearing and settlement of automated payments in the UK and maintaining the integrity of payment related services.

Almost 5.5 billion payments a year are made through Bacs' principle schemes, Direct Debit and Bacs Direct Credit, equating to approximately £3.4 trillion in 2006. In June 2007, the number of transactions processed in one day hit an all time high of more than 83 million.

For further information please visit www.bacs.co.uk or go to www.thesmartwaytopay.co.uk, the home of The Smarts, an animated family who use automated payments to help improve financial management and control.

More about Direct Debit:

A Direct Debit is an instruction from a customer to their bank or building society authorising an organisation to collect varying amounts from their account. This can be used to ensure regular, safe and efficient payments of anything from household bills to charitable donations. Over 2.8 billion Direct Debit payments are processed by Bacs a year and 75 per cent of adults now have at least one Direct Debit commitment. For further information on how to set up a Direct Debit to help keep accounts in order, please contact your bank or building society.

More about Bacs Direct Credit:

Bacs Direct Credit is mainly used for paying wages and salaries - in fact over 90 per cent of the UK workforce is paid via Bacs Direct Credit. In total, Bacs Direct Credit is used for paying four million wages every week and nearly 25 million salaries a month.

