



## THE CLOSURE OF THE CHEQUE GUARANTEE CARD SCHEME

**The Cheque Guarantee Card Scheme closed on 30 June 2011. You are still able to pay for goods and services by cheque and businesses are still able to accept them, just not guaranteed by card.**

After 30 June although your card may still carry the cheque guarantee logo, it won't be possible to use it to guarantee a cheque. The logo will be removed when your card is next renewed.

If you are looking for an alternative way to pay, why not ask what other forms of payment are accepted? 99% of cards that carry the guarantee logo are also debit or credit cards, which the majority of businesses accept. In other



situations you are likely to be able to pay by cheque without a guarantee, or by making an online or phone banking payment or by cash.

A large percentage of guaranteed cheques were actually written in situations where the guarantee couldn't be applied – for instance, where the customer had posted the cheque rather than presenting it in person – making the guarantee invalid.

# THE FUTURE OF CHEQUES

First introduced in 1969, use of the Cheque Guarantee Card Scheme has rapidly decreased over the past 20 years. It was in terminal decline while alternatives such as debit and credit cards, electronic transfers and online payment facilities have become more popular.

You may have also read that the Payments Council has set a target of 2018 to close the central cheque processing system. We will only go ahead with this date if we succeed in developing alternatives that are acceptable to customers, and we won't be taking a decision until 2016. In the meantime you can still use cheques.

**In 2010, 86% of consumers did not write a guaranteed cheque**

**In 2010, only 7% of cheques were supported by a cheque guarantee card**

**While the average transaction value of a personal cheque is £392, the maximum guarantee limit on a card was £250, and 88% of cards only had a limit of £100 or less**

**In research conducted during the review of the Scheme, only a quarter of all businesses (approximately 350,000) said that they had received a guaranteed cheque in the previous six months, and for many this was a rare occurrence**

## FIND OUT MORE

For more information about your payment options, visit [www.payyourway.org.uk](http://www.payyourway.org.uk), ask your bank, or contact the Payments Council:

**By post:** 2 Thomas More Square,  
London E1W 1YN

**By email:** [cheques@paymentscouncil.org.uk](mailto:cheques@paymentscouncil.org.uk)



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