

THE LITTLE BACS BOOK

The essential guide for making
and collecting payments by **Bacs**
Direct Credit and **Direct Debit**



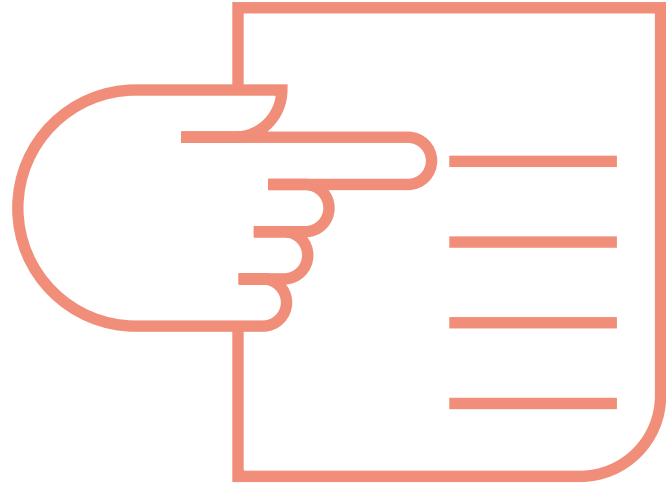
THE ESSENTIALS OF USING BACS

Bacs is the company which runs Direct Debit in the UK. We also run the Bacs Direct Credit Scheme, which is used to pay salaries and settle invoices from suppliers; this is commonly referred to just as Bacs.

All of the organisations using Direct Debit and Bacs Direct Credit, whether they submit direct to Bacs or via a bureau, must adhere to our rules. Your sponsoring bank or building society will be able to advise you if you are uncertain about how to comply with any of these.

FOLLOW OUR GUIDES

Go to www.bacs.co.uk and register for access to the password protected section of the website. This is where the complete Guide & Rules documents are available. Use these to check that your processes and procedures comply.



WE'LL UPDATE YOU

If we make any changes to the Guide & Rules that will affect you, we will send you details of the updates by email; you must amend your processes and procedures accordingly.

These important notices are sent to you by email so make sure that **bacs@mail.bacsinfo.co.uk** and **bacs@mail.bacsupdates.co.uk** are on email "safe" lists to avoid emails being rejected or sent to a junk mail folder.



TAKE OUR ADVICE

You will have received the address and log in details for our secure Payment Services Website from your sponsoring bank or building society. This is NOT the same as www.bacs.co.uk. The Payment Services Website provides you with access to a range of important reports relating to the files you submit, your payments and/or collections.

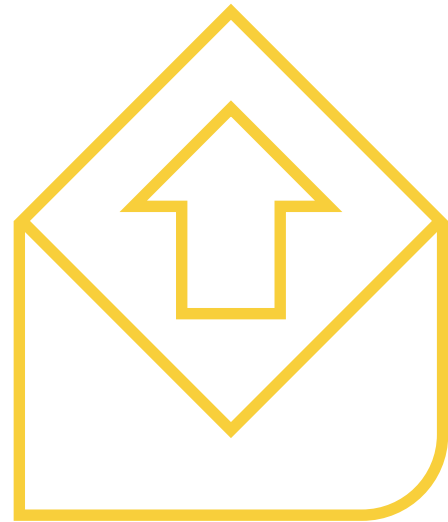
For example, you may receive an email telling you that a report is available for download. This report may contain what we call an 'advice' providing important information telling you, for instance, that the customer account you are trying to collect from or make a payment to has been closed. You must act on these advices within 3 bank working days. In some cases, your Bacs software supplier or bureau may collect these reports and advices for you but you are still required to act on the information they contain. More information is available on downloading reports at www.bacs.co.uk/collectingreportsvideo



YOU UPDATE US

If any of your contact details change – such as your email address or telephone number – you must update these on the Payment Services Website in the 'My details' area to ensure the right contact information for you is recorded on our systems.

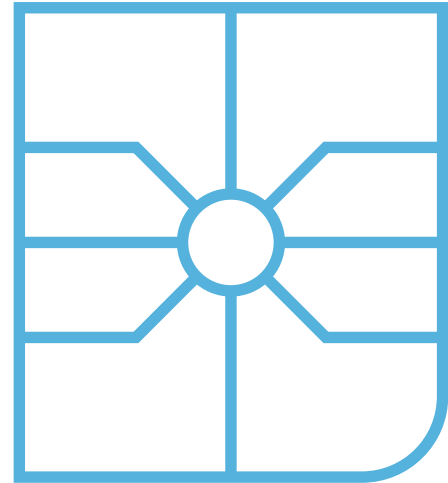
If a Primary Security Contact in your organisation leaves or changes, your sponsoring bank should be notified and a new contact should be registered.



USING YOUR SMARTCARD

Direct submitters will be provided with smartcards to allow approved personnel secure access to our services through our Payment Services Website, as well as for signing and sending Bacs files. Smartcards cannot be transferred between people so a new card must be applied for through your bank for new staff and the old card returned to the bank to be destroyed.

Additionally, others in your organisation, or if you submit via a bureau, may be provided with a password and ID to access the Payment Services Website to download reports.



CHECK YOUR SUBMISSIONS

Check your submissions have been successful. There are reports available on the Payment Services Website or via your Bacs software which can confirm a payment file has been successfully submitted or can alert you if there is an error. If you submit via a bureau check your bureau confirmation.



UPDATE YOUR SORT CODES

If you store sort code information in your business, make sure you update this weekly, or monthly at the very least, as this information can change and that may affect the payments you try to make or collect. Updated copies of sort code information (the ISCD or EISCD) are made available by your Bacs approved software supplier or alternatively, your bureau should do this for you.

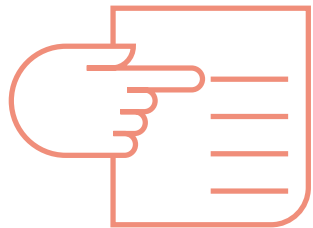


GET YOUR APPROVALS

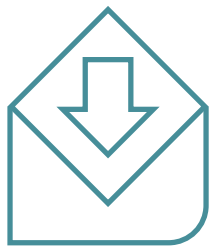
Any printed or online documentation you produce in connection with the Schemes must be initially approved by your sponsoring bank or building society and again if you make any changes. For example, this includes your Direct Debit Instruction, your advance notice and any scripts used by call centres to set up Paperless Direct Debit.



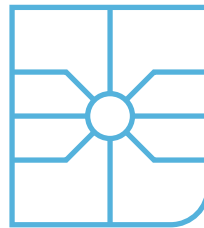
OUR 8 ESSENTIAL RULES



FOLLOW OUR GUIDES



WE'LL UPDATE YOU



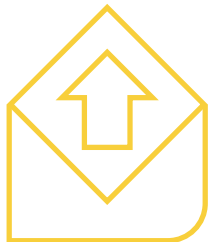
USING YOUR SMARTCARD



CHECK YOUR SUBMISSIONS



TAKE OUR ADVICE



YOU UPDATE US



UPDATE YOUR SORT CODES



GET YOUR APPROVALS

SUBMISSION CHECKLIST

1. Submit payment file.
2. Collect input report, available on the day of submission.
3. Monitor regularly for ADDACS and AWACS advices, ideally daily.
4. Monitor regularly for ADDACS and AWACS advices, ideally daily.
5. Apply update from ADDACS and AWACS advices no later than 3 bank working days after they are available.
6. Collect any ARUDD and ARUCS reports. These are available within 1 to 2 bank working days after the payment/collection date.

If you have any queries, please call our
Bacs Service Desk: **0370 165 0018**

GLOSSARY

For more, go to www.bacs.co.uk/glossary

ADDACS – Automated Direct Debit Amendment and Cancellation Service. These advise of changes to a Direct Debit Instruction.

ARUCS – Automated Return of Unapplied Credits Service. If a Bacs Direct Credit payment (eg. salary or supplier payment) is sent to an account which has been closed, or if the account details are not correct, the credit will automatically be returned to the paying organisation's bank account.

ARUDD – Automated Return of Unpaid Direct Debits. These tell you when a Direct Debit has been returned unpaid for one of a number of reasons, eg. if a customer's account has been closed.

AWACS – Advice of Wrong Account for Credits Service. These advise of any changes to a Bacs Direct Credit payment, eg. if an account has been closed or moved.

All of these will be made available from the Payment Services Website or your Bacs software, and should be actioned immediately.

NOTES

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