

BACS ACCREDITED AGGREGATOR SERVICE

VERSION 1.1 | 22 March 2017

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1 DOCUMENT INFORMATION

1.1 VERSION HISTORY

VERSION	DATE	DESCRIPTION
0.1	07/09/2016	Initial Draft
0.2	04/11/2016	Updated following review
0.3	07/11/2016	Updated following review
0.4	18/11/2016	Updated following review by CMT
0.5	09/01/2016	Minor amendments prior to publication
1.0	09/01/2016	Re-versioned for web publication
1.1	22/03/2017	Updated to include logo and amend charges

1.2 DOCUMENT REVIEWERS

STAKEHOLDER	ACTION	STAKEHOLDER	ACTION
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Action: P – Producer; C – Contributor; R – Reviewer; A - Authoriser; I - Information only

1.3 COPYRIGHT STATEMENT

All rights reserved.

The copyright in this document is owned by Bacs Payment Schemes Limited (short formed as Bacs). All material, concepts and ideas detailed in this document are confidential to Bacs. This document shall not be used, disclosed or copied in whole or in part for any purposes unless specifically approved by Bacs.

2 INTRODUCTION

This document describes the Bacs Accredited Aggregator Service (BAAS) and should be read by any organisation that is considering providing payment aggregation services to Payment Service Providers (PSPs), or any organisation that already provides such services to PSPs accessing other payment systems. (See section 3 for the definition of a Bacs Aggregator)

Included within this document are details of:

- The key benefits associated with being a Bacs Accredited Aggregator (BAA);
- The onboarding and accreditation activities you must complete to achieve BAA status;
- Some of the cost considerations associated with becoming a BAA;
- The key technical documents you will need to review; and,
- The agreements you must enter in to participate in the BAAS. (Appendix 1)

The BAAS is voluntary and there is no requirement for any organisation providing aggregation services to participate in the Service.

Bacs already provides the onboarding and accreditation processes for Bacs bureaux under the Bacs Approved Bureaux Service (BABS) and to Software Solution Providers under the Bacs Approved Software Service. Please see the Bacs website for further information (<https://bacs.co.uk/Services/Pages/Services.aspx>)

3 BACS ACCREDITED AGGREGATOR PROPOSITION

This section defines a BAA and sets out the key benefits of participation.

3.1 WHAT IS A BACS ACCREDITED AGGREGATOR AND WHY SHOULD AN ORGANISATION OFFERING AGGREGATION SERVICES WISH OR NEED TO BECOME ONE?

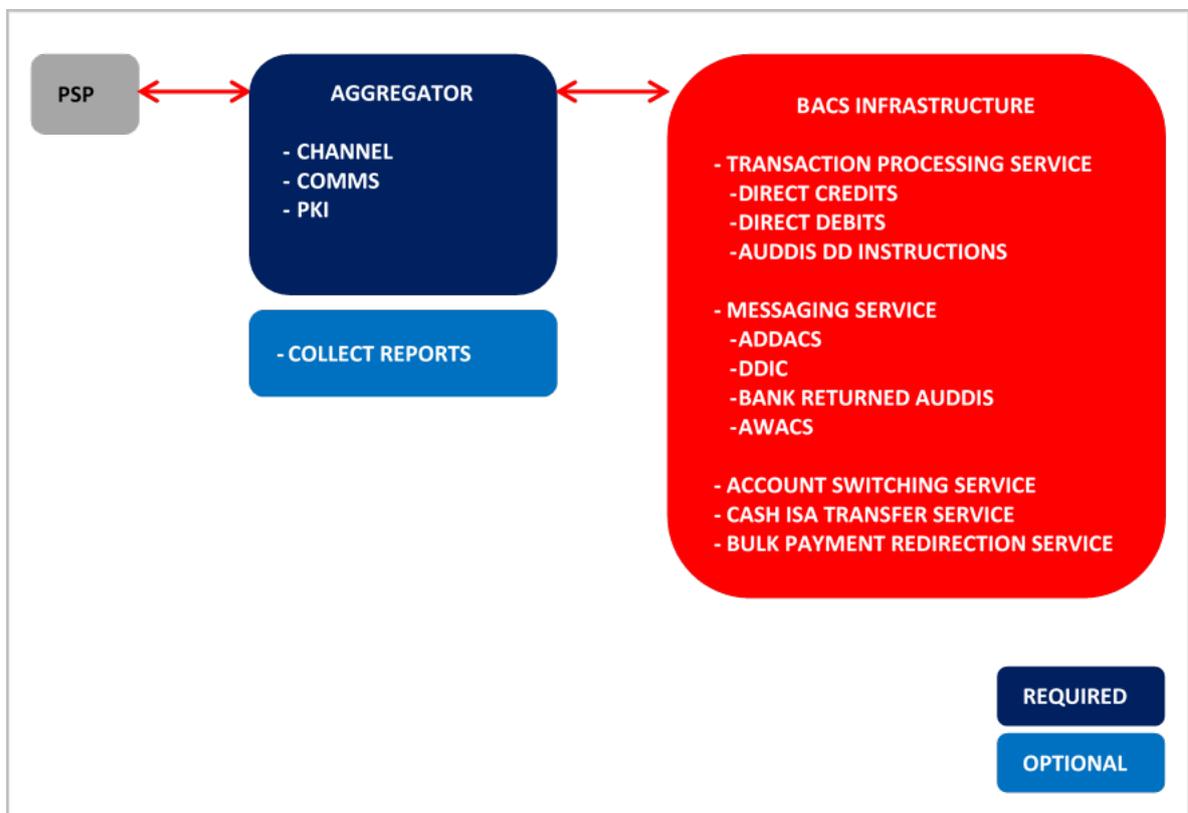
A BAA is a third party that provides one or more PSP with a technical access solution that enables the submission of input to, and receipt of output from, the Bacs service, and has been accredited by Bacs for that purpose.

Figure 1 provides a high-level representation of the BAA model.

By establishing and proving connectivity with the Bacs infrastructure, a BAA can effectively provide their PSP customers with technical access to all Bacs services, including all Bacs Managed Services including Cash ISA Transfer Service and Current Account Switch Service.

In addition to helping PSPs meet the technical access requirements, a BAA may choose to partner with a direct Bacs participant to provide a more complete service that includes the provision of settlement services. (The BASS will not cover additional services (such as Settlement Services) and is limited to the technical access services a BAA provides.)

(Figure 1 – Bacs Accredited Aggregator Model)



3.2 ELIGIBILITY CRITERIA

To become a BAA, you must:

- Complete the steps set out in this onboarding process as set out in section 4;
- Meet the technical and operational requirements of the BAAS:
 - Having and proving the capability to digitally sign and authenticate data exchanged with the Bacs service in line with the requirements of the Bacstel-IP Trust Services Code or Trust Code;
 - Having and proving connectivity to the Bacs service; and,
 - Having and proving an approved input / output channel.
- Successfully execute and pass the specified accreditation test activities;
- Sign a Participation Agreement in respect of participation in the BAAS; and,
- Pay the BAAS fees as set out in section 5.

As you progress through the onboarding process you will complete all activities required to demonstrate that you meet (and can be expected to continue to meet) the BAAS eligibility criteria.

3.3 WHAT ARE THE BENEFITS OF BECOMING A BACS ACCREDITED AGGREGATOR?

Bacs has been maintaining the integrity of payment related services since 1968, with responsibility for the schemes behind the clearing and settlement of UK automated payment methods, Direct Debit and Bacs Direct Credit, as well as the provision of Managed Services for third parties, such as the Cash ISA Transfer Service, and the development, management and subsequent ownership of the Current Account Switch and Bulk Payment Redirection services.

Working with Bacs to become a BAA provides a range of benefits.

Once you have applied to join the service and we have entered into a mutual Non-Disclosure Agreement (NDA), we will provide you with access to all the technical documentation you need to develop a Bacs aggregator solution that meets the technical requirements of the Bacs service.

As a BAA, you will be taken through the Bacs onboarding and accreditation process, gaining access to subject matter experts (SMEs), test environments, and technical support as you work towards accredited status.

Once accredited, you will continue to receive important updates about changes and developments to the Bacs service, and will be automatically enrolled in Bacs Electronic Affiliates Group.

As a BAA, you will also be listed on the Bacs website in our accredited Bacs Aggregator Service provider page and will be entitled to use the Bacs Accredited Aggregator Logo (below) on your own website and marketing material (subject to specific guidelines).



By working with us, you can be certain that you will receive access to the support, documentation, experience and expertise you need to deliver the best solution to your customers. In turn, we can ensure that your aggregator solution is subjected to the same level of independent accreditation as any other BAA, helping us meet our obligation to maintain and protect the integrity of the services we provide.

3.4 WHAT ARE THE POTENTIAL BENEFITS TO YOUR CUSTOMERS?

A PSP that chooses to use the services of a BAA can have confidence that the technical access solution they have chosen already meets the requirements of the Bacs service, and should result in a reduction in technical access costs and timescales.

Passing the burden of technical access over to a BAA will enable PSPs to focus on product development activities, safe in the knowledge that integration with Bacs services is being provided by an aggregator that has been accredited for the purpose by Bacs.

It is expected that using the services of a BAA will continue to provide PSPs with benefits beyond the initial implementation, ensuring ongoing compliance with technical requirements and enhancements, and providing input in to annual attestation (self certification) activities that PSPs are required to complete.

A BAA can provide additional benefits by partnering with a direct Bacs participant that is willing to provide PSPs with access to settlement services.

3.5 SHOULD I BECOME A BACS ACCREDITED AGGREGATOR?

Do you intend to (or already);

- Provide one or more PSPs with a technical access solution to one or more Bacs services?
- Provide payment services to PSPs that are eligible to participate in one or more Bacs services? For example, acting as a Bacs Approved Bureau or Bacs Approved Software Supplier.
- Act as an aggregator for PSPs to one or more other payment schemes? (For example, Faster Payments.)

Would you like to:

- Obtain accreditation for a technical access solution that you will provide to one or more PSPs?
- Have your details displayed on the Bacs website and use the BAA Logo?

If you can answer yes to one or more the questions above, then the BAAS may be right for you.

If the BAAS is not right for you, have you considered participation in BABS or BASS? Visit our website for more information about these services (<https://bacs.co.uk/Services/Pages/Services.aspx>).

4 BECOMING A BACS ACCREDITED AGGREGATOR

This section sets out the onboarding and accreditation activities you will need to complete to achieve BAA status.

4.1 THE BAAS ONBOARDING PROCESS

The onboarding process set out in this document is broken down in to the following phases:

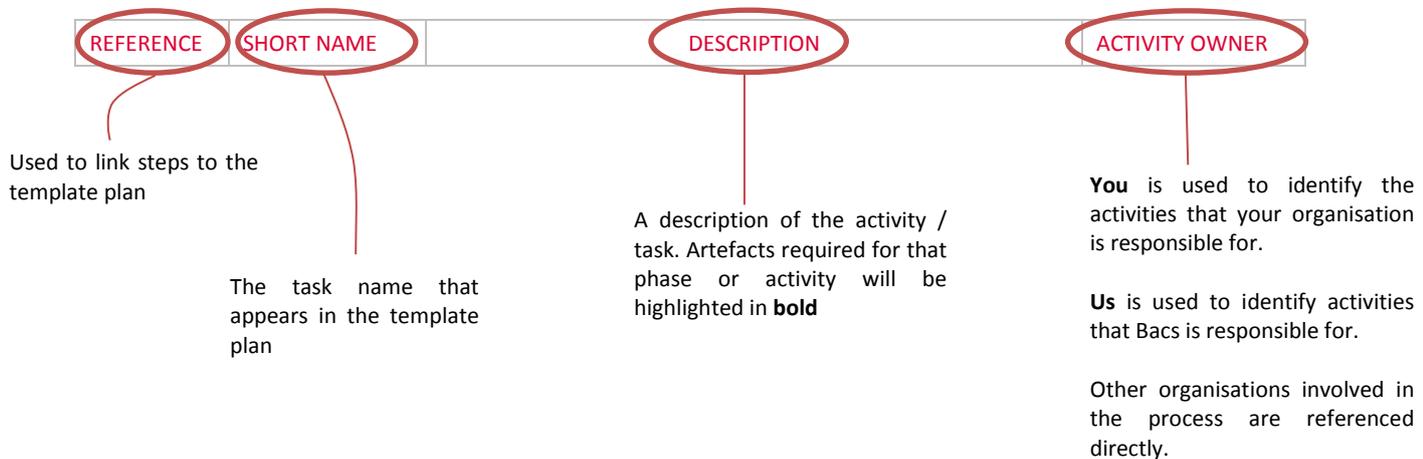
- Discovery;
- Definition and Planning;
- Design, Build and Accreditation;
- Documentation and Approvals;
- Pre-Go Live; and,
- Go Live (Dependent on having a PSP customer)

Some of the phases within this document may run in parallel and the actual sequence of the activities will be finalised during the Definition and Planning phase.

Each of the onboarding phases is comprised of several steps, workshops, and review checkpoints. The phases and associated activities are set out in tables in the sections that follow.

Figure 2 below explains how these tables are used.

(Figure 2)

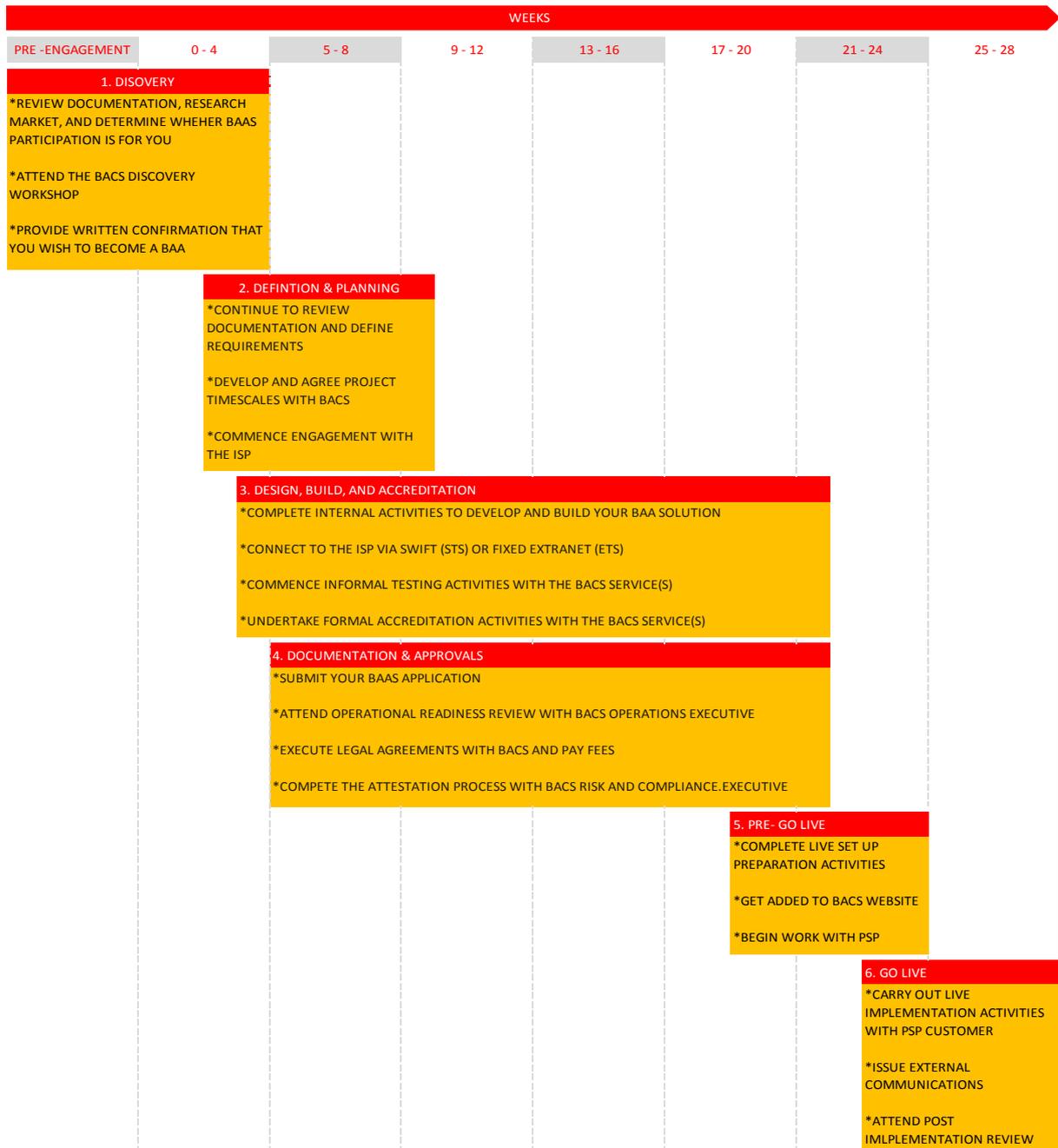


4.2 INDICATIVE ONBOARDING TIMELINE

Figure 3 below sets out the high-level purpose of each phase and provides indicative durations.

You should expect that it will take around 24 weeks from the time you submit your BAAS application to the point at which you become a BAA. The actual duration for each aggregator may vary and will be determined in the Definition and Planning phase.

Figure 3 – Indicative Timeline



4.3 THE DISCOVERY PHASE

You will use this phase of the process to gain an understanding of what it means to be a BAA and determine whether participation in the BAAS is right for you.

Much of the activity within this phase can take place without any direct Bacs involvement, but you must attend the Discovery Workshop.

During this phase, you may also engage with potential customers (PSPs) and consider providing technical access to other payment systems that support an aggregator model.

4.3.1 PRE-REQUISITES

There are no pre-requisites for this phase, but it is expected that you either already meet, or are working towards meeting, the eligibility criteria set out in Section 3.2.

4.3.2 PROCESS STEPS

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER
ONB1	Review Service Catalogue	Review the Bacs Service Catalogue to determine which services you would like to provide PSPs with technical access to.	You
ONB2	Determine Participation Model	Work through Participation Decision Matrix to determine the participation model you require.	You
ONB3	Understand Participant Obligations	Review the BAA documentation set available on the Bacs website to understand the technical requirements, potential costs, and your obligations as a BAA.	You
ONB4	Explore Route to Eligibility	If you do not currently meet the eligibility criteria you should commence work towards meeting these criteria.	You
ONB5	Explore access to payment systems	If you do not already provide technical access to other payment systems, you should determine whether this is something that you would like to do.	You
ONB6	Engage Bacs	Once you have completed the steps above and determined that you wish to pursue direct participation you should submit the Bacs Enquiry Form to the Bacs Onboarding Team .	You
ONB7	Attend Discovery Workshop	We will respond to you within 2 weeks of receipt of your completed Enquiry Form to schedule a ½ day Discovery Workshop. The Discovery Workshop will be used to: <ul style="list-style-type: none"> • Introduce the Bacs Onboarding Team and establish key points of contact; • Introduce yourselves and set out your aspirations for joining the service, your proposed business model, and the potential timelines / drop-dead dates; • Provide an overview of the suite of Bacs services; • Set out potential operating models and costs; 	You & Us

		<ul style="list-style-type: none"> • Identify key considerations and pre-requisites; • Share learnings from previous onboarding projects; • Run through template plan and outline typical onboarding timescales and costs; and, • Answer any questions you may have on the onboarding process or activities. 	
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4.3.3 EXPECTED OUTCOME(S)

At the end of the Discovery Phase you will:

- Have a good understanding of the Bacs services;
- Understand the requirements and potential costs of BAAS participation;
- Have begun to identify a preferred operating model;
- Understand the onboarding process and your responsibilities;
- Understand possible timescales; and,
- Provide us with written confirmation that you wish to apply to the BAAS. **[Mandatory]**

We will be able to agree whether to progress your request and kick off a formal onboarding project.

4.4 THE DEFINITION AND PLANNING PHASE

During this phase of the process you will continue to develop an understanding of the functional and operational requirements of BAAS participation. You will also develop your business case, operating model, define detailed requirements, and identify specific limitations or dependencies.

This work will be supported by the Bacs Onboarding Team and SMEs from both Bacs and the Infrastructure Service Provider (ISP).

To be most effective this phase may require the engagement and support of other parties including (but not limited to) PSP customers and other PSOs.

4.4.1 PRE-REQUISITES

Before moving to this phase, you must have:

- A good knowledge of the Bacs service and requirements of BAAS participation; and,
- Received written confirmation from us that you can move to this phase. **[Mandatory]**

4.4.2 PROCESS STEPS

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER(S)
ONB8	Submit NDA	You will sign and return a NDA to allow us to share scheme documentation and information.	You
ONB9	Grant SharePoint Access	Once we have received the NDA we will ask you to complete a SharePoint application form. A dedicated SharePoint repository will be used to share further documentation with you securely over the course of the onboarding process.	Us

		You will also be allocated a dedicated onboarding contact at this stage who will support you through the onboarding process.	
ONB10	Attend Bacs Service Overview	<p>We will schedule one or more workshops to cover:</p> <ul style="list-style-type: none"> • Channels and security; • Transaction processing; • Message processing; • Reference data; • Reports; • Key operational processes; • Accreditation and attestation activities; and, • The application process and legal agreements. 	You, Us, and ISP
ONB11	Schedule Planning Workshop	When you are ready (following review of all documentation) you should contact the Bacs Onboarding Team to schedule an initial planning workshop.	You
ONB12	Attend Planning Workshop	<p>The workshop provides you with an opportunity to describe your preferred operating model and walkthrough your draft project plan.</p> <p>It also allows you to show us how you plan to meet the eligibility criteria.</p> <p>The planning workshop will cover:</p> <ul style="list-style-type: none"> • Onboarding activities; • ISP support requirements; • Delivery of technical requirements; • Target test and accreditation dates; • Target go live dates; • Approach to attestation; • External communications; • Engagement with other PSOs and key parties; and, • Access to settlement services (if applicable) and Bank of England testing activities; • <p>There may be more than one planning workshop if required.</p>	You, Us, and ISP
ONB13	Submit Project Plan	<p>Once agreed you will submit your plan to your dedicated onboarding contact.</p> <p>The plan will also be used to support your application and track progress for the remainder of the onboarding process.</p>	You
ONB14	Formally Engage ISP	<p>Once your plan has been agreed we will raise an 'Onboarding Change Request' (CR) with the ISP. This will include details of your specific support requirements, preferred operating model, and planned test and go-live dates.</p> <p>(We may share information with the ISP before this point</p>	Us

		where necessary, subject to your consent.)	
ONB15	Review and Agree Impact Assessment	The ISP will provide an Impact Assessment (IA) against the CR and cost estimate which we will share with you. We may also share this IA with other PSOs if necessary. Once the IA has been reviewed and agreed any changes will need to be fed back in to the project plan.	You, Us and ISP
ONB16	Schedule Regular Updates	Your dedicated onboarding contact will schedule regular update and checkpoint meetings with you. If necessary, these meetings will include representatives from the ISP and other PSOs.	Us

4.4.3 EXPECTED OUTCOME(S)

At the end of the Definition and Planning Phase you will have:

- Defined your requirements; and,
- Agreed a project plan with the Bacs Onboarding Team; **[Mandatory]**
- Engaged with the ISP; **[Mandatory]**
- Reviewed and agreed the ISP's Impact Assessment; and, **[Mandatory]**
- Updated the Project Plan to reflect ISP related activities and test environment availability.

We will have a clear understanding of your proposed operating model, how you will meet the eligibility criteria, and how you will demonstrate compliance with the functional and operational requirements of the Bacs service.

4.5 THE DESIGN, BUILD AND ACCREDITATION PHASE

During this phase, you will design, build / procure and test your solution and undertake defined accreditation activities. You will also develop operational processes and undertake training activities as required.

4.5.1 PRE-REQUISITES

There are no particular pre-requisite activities for starting this phase, but before undertaking any technical accreditation activities you must have:

- Attended the Initial Planning Workshop; **[Mandatory]**
- Commenced your engagement with the ISP; and, **[Mandatory]**
- Commenced your engagement with other PSOs (if applicable).

4.5.2 PROCESS STEPS

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER
ONB17	Internal Development Activities	You will undertake detailed design, build and testing activities required to deliver your solution in line with the plan agreed during the Definition and Planning	You

		<p>phase.</p> <p>From a Bacs perspective, some of the key activities in this phase are the development or procurement of:</p> <ul style="list-style-type: none"> • An ETS or STS channel solution used to deliver input and receive output from the Bacs service; • Processes to create input and process output from the Bacs service; • A compliant PKI solution; • Development of report collection interfaces or processes; and, • Operational processes and training material. <p>Detailed requirements are defined in the Definition and Planning Phase and are derived from a number of documents which are set out in Section 6.</p>	
ONB18	Physical Connectivity	<p>A key step in this phase is the establishment and testing of connectivity with the ISP.</p> <p>This activity is undertaken directly with the ISP and third party suppliers.</p> <p>Timescales and steps will vary depending on the chosen solution.</p> <p>Depending on the channel solution you choose you will either connect to the ISP via SWIFT (STS) or fixed extranet (ETS).</p> <p>This is a pre-requisite to any testing activities with the ISP</p>	You, ISP and other suppliers
ONB19	Test Planning and Setup	<p>The Bacs Onboarding Team will ask you to complete and return a Setup Questionnaire. This provides the information required to enable the ISP to carry out the necessary test set up / configuration activities.</p> <p>You will also attend a meeting with the ISP to ensure that timelines, roles, and responsibilities are clearly understood.</p> <p>This step must be completed six weeks prior to the start of any functional test activities with the ISP.</p>	You, Us and the ISP
ONB20	Test Setup Activities	<p>The ISP will carry out the necessary set up steps to enable you to access the accreditation test environment.</p> <ul style="list-style-type: none"> • Reference data set up activities; • Service user set up activities; 	You and ISP

		<ul style="list-style-type: none"> • Contact set up activities; • Channel set up and configuration activities; and, • PKI and hardware security module (HSM) set up activities. 	
ONB21	Attend Test Readiness Review	<p>This is a checkpoint review meeting to confirm that all required setup activities have been completed and you are ready to conduct test activities with the ISP.</p> <p>This provides you with an opportunity to declare the scope of the planned test activities you will carry out during the informal testing period. (It is recommended that you use a test traceability matrix or equivalent to ensure adequate coverage).</p> <p>You will also be asked to declare any known issues or constraints that may impact your ability to complete accreditation test activities.</p>	You, Us, and ISP
ONB22	Connectivity Testing	<p>In this step, you will demonstrate or certify that you can:</p> <ul style="list-style-type: none"> • Send valid input to the Bacs service over your chosen channel; • Receive valid output from the Bacs service; and • Log on to the Payment Services Website (PSW). <p>This step is intended to test your ETS or STS client and PKI solution prior to the informal test phase.</p> <p>A period of 1 week is usually allocated to connectivity testing.</p>	You and ISP
ONB23	Informal Testing	<p>During this period, you will conduct end-to-end test activities with the Bacs service.</p> <p>The test activities you undertake within this period are not prescribed by Bacs, and you are responsible for ensuring that defined tests provide adequate coverage.</p> <p>The scope of these test activities is declared during the Test Readiness Review. It is expected that these activities will prove your solutions and supporting processes.</p> <p>A period of 2 – 4 weeks is usually allocated to informal testing.</p>	You and ISP
ONB24	Accreditation Readiness Review	<p>This review provides you with an opportunity to demonstrate that all pre-requisite activities have been completed and all internal approvals are in</p>	You, Us and ISP

		place. This meeting includes a review of: <ul style="list-style-type: none"> • Progress against the agreed plan; • Internal test outcomes; and, • Declaration of any constraints, known issues, or known defects. 	
ONB25	Conduct Accreditation Testing	You will carry out formal accreditation testing against defined criteria. The accreditation criteria may vary depending on your solution design and the services you are providing technical access to. This stage of the process is monitored by the Bacs Onboarding Team and ISP Customer Readiness Team. A period of 2 – 4 weeks is usually allocated to formal accreditation.	You, Us and ISP
ONB26	Attend Accreditation Completion Review	This review provides you with the opportunity to evidence the successful outcome of all accreditation test activities and covers: <ul style="list-style-type: none"> • A review of accreditation test outcomes and evidence; • Identification of any outstanding activities and plan for resolution (where applicable); • Lessons learned; and, • Go / No-Go Decision. 	You and Us

4.5.3 EXPECTED OUTCOME(S)

At the end of this phase you will have:

- Developed and tested your solution; and, **[Mandatory]**
- Proved your solution through completion of the required accreditation activities. **[Mandatory]**

We will be able to confirm that your solution meets the technical requirements.

4.6 THE DOCUMENTATION AND APPROVALS PHASE

Some of the steps set out within this phase may be completed in parallel with the Design, Build and Accreditation Phase.

During this part of the process you will submit your formal application for assessment. You will also execute all legal agreements and self-certify against a set of compliance statements (through the formal attestation process).

4.6.1 PRE-REQUISITES

Before moving to this phase, you must have:

- Reviewed all relevant documentation; and, **[Mandatory]**
- Agreed your plan with the Bacs Onboarding Team. **[Mandatory]**

4.6.2 PROCESS STEPS

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER
ONB27	Submit Formal Application	<p>You will apply to the Bacs Admissions Official.</p> <p>You should attach the following supporting documents to your application form:</p> <ul style="list-style-type: none"> • The project plan agreed with the Bacs Onboarding Team during the Definition and Planning Phase. <p>To allow time for assessment, you must complete this step at least 3 months prior to your intended go live date. (At the end of the Planning and Definition Phase)</p>	You
ONB28	Attend Operational Review Meeting	<p>This meeting provides your senior operations representative with an opportunity to explain how you will meet the operational requirements of the Bacs service. The meeting may cover:</p> <ul style="list-style-type: none"> • Creation and submission of input, including validation and ISO 20022 translation if applicable; • Receiving and processing output; • Collection reports and report usage; • Operations and helpdesk support functions, including incident management processes; • PSP / Aggregator responsibilities; and, • Key operational contacts. 	You and Us
ONB29	Attestation	<p>Over the course of the onboarding process you will complete the following:</p> <ul style="list-style-type: none"> • The Bacs Trust Service Code of Conduct; and, • The Bacs Operational Code of Conduct <p>These documents require you to self-certify against a set of compliance statements. You should focus on the compliance statements that apply to your business model.</p> <p>The final documents must be submitted 6 weeks prior to go-live and must be signed by your Head of Internal Audit (or equivalent).</p> <p>(It is expected that PSPs using your BAA solution will be able to re-use your submission where applicable).</p>	You
ONB30	Attend Risk and Assurance Meeting	<p>This meeting provides you with an opportunity to expand on the responses you have provided in the code of conduct documents (see ONB19).</p> <p>The Bacs Risk and Assurance Team will review and discuss your responses.</p> <p>Any areas of non-compliance will need to be addressed prior to go live.</p>	You and Us
ONB31	Admissions Officials	<p>The Bacs Admissions Official will determine whether to</p>	You and Us

	Decision	accept your application.	
ONB32	Sign Legal Agreements and Pay Fees	If your application is accepted, you will now be required to sign the BAAS Participation Agreement and pay the BAAS fees.	You
ONB33	Add to Distribution Lists	We will add you to the BAAS Distribution list so you received important updates about our services. You will also be added to the Electronic Affiliates Group.	Us

4.6.3 EXPECTED OUTCOME(S)

At the end of this phase you will have:

- Confirmed you have understood and meet the operational requirements of the service; **[Mandatory]**
- Executed the required Legal Agreements; **[Mandatory]**
- Completed the attestation processes; and, **[Mandatory]**
- Received a response to your application. **[Mandatory]**

You will be approved to participate subject to the successful outcome of all remaining onboarding activities.

If your application is unsuccessful you will be entitled to appeal or withdraw from the process.

4.7 PRE-GO LIVE

During this phase, you will complete the final set up activities required to support and enable live operation.

4.7.1 PRE-REQUISITES

You must have completed all other mandatory onboarding activities set out in this document before these activities can commence.

4.7.2 PROCESS STEPS

The steps in this phase are intended to prepare you for go-live.

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER
ONB34	Incident Management & Operational Readiness	You will provide us with operational contact and escalation points for incident management purposes.	
ONB35	Website Listing	We will agree the date that you will be listed as a BAA on the BAAS pages of the Bacs website. This will also be the date from which you can display the BAAS Logo on your own website and documentation.	You and Us
ONB36	Live Setup	You will work with Bacs and the ISP to co-ordinate and carry out the set-up activities required to operate as a	You and Us

		<p>live BAA.</p> <p>Your live setup will be based on the setup used for accreditation purposes.</p> <p>If you are not already working with a PSP customer some of these activities will be deferred and carried out as part of the PSP onboarding activity.</p> <p>(This step may require the support of a direct Bacs participant).</p>	
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4.7.3 EXPECTED OUTCOMES

By the end of this phase you will be ready to act as a BAA.

4.8 GO LIVE

You are a live BAA from this point.

You and your PSP customer will receive an increased level of support from Bacs and ISP for an agreed transition period.

4.8.1 PRE-REQUISITES

You must have at least one PSP customer connected to your BAA solution before you can go live. **[Mandatory]**

You must have received a 'Go' decision following accreditation activities. **[Mandatory]**

If the PSP is a direct Bacs participant, they must have completed all necessary onboarding activities prior to go live. **[Mandatory]**

If the PSP is an indirect Bacs participant, their Bacs sponsor must have agreed to allow output to be channelled via your BAA solution. **[Mandatory]**

4.8.2 PROCESS STEPS

REFERENCE	SHORT NAME	DESCRIPTION	ACTIVITY OWNER
ONB38	Live Implementation	All scripts and live set up activities are undertaken during a specified implementation slot. These activities may require support from a direct Bacs participant if the PSP is an indirect participant	You, Us and ISP
ONB39	Transition Support Period	You will receive an increased level of support from Bacs and the ISP for a period following go live. The period of transition support is usually 2 weeks.	You and Us
ONB40	External Communications	We will issue a press release (in conjunction with you) and make the necessary changes to the Bacs website.	You and Us

ONB41	Attend Post Implementation Review	You will attend the post implementation review to help identify lessons learned and provide feedback on the onboarding process.	You and Us
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4.8.3 EXPECTED OUTCOME(S)

By the end of this phase you will be a live BAA.

5 COST CONSIDERATIONS

This section sets out some of the costs that you may want to consider when determining whether to become a BAA.

5.1 BAAS COSTS

The table below sets out Bacs charges for BAAS participation. These charges are subject to annual review.

ITEM	COST	PAID BY / TO	ANNUAL / ONE OFF / AD HOC
Onboarding and Accreditation Costs (Includes limited support from ISP, support for test set up activities, access to test and accreditation environments, and transition support)	circa £70k - £100k	BAA to Bacs (passed on to ISP)	One off
Initial Charge (Covers website registration and Bacs onboarding support activities)	£7,150	BAA to Bacs	One off
Annual Fee (Includes use of the Trustmark, enrolment on the Electronic Affiliates Interest Group, support for annual attestation)	£3,860	BAA to Bacs	Annual

5.2 OTHER COSTS

Bacs is unable to provide details of all costs associated with developing a BAA solution as in some instances we are not a party of commercial agreements that may need to be put in place. Additional costs for you to consider include the costs of developing or procuring:

- Connectivity to the ISP via SWIFT or VocaLink Fixed Extranet (up to £160k excluding SWIFT charges);
- STS or ETS client software; and,
- A PKI solution (that complies with the Bacs Trust Service Code of Conduct) (£80k plus).

Some of these items also incur an annual maintenance charges. These charges are not included in the annual fee set out in the table above.

You should ensure that you understand all upfront and ongoing costs before you apply to participate in the BAAS.

6 KEY DOCUMENTS

This section provides details of the key documents you will require to develop your BAA solution.

The list below focusses on the technical requirements of each Bacs service and should not be considered exhaustive.

It is recommended that you also review the guide and rules documents that apply to each service and understand all operational processes and procedures.

CHANNELS / INTERFACE DOCUMENTS	
DOCUMENT TITLE	RELEVANCE
ETS and STS Comparison	All Aggregators
Channels Members Guide	All Aggregators
STS Service Definition	Aggregators deploying an STS solution
STS Channel Interface Specification	Aggregators deploying an STS solution
ETS Service Definition	Aggregators deploying an ETS solution
ETS Channel Interface Specification	Aggregators deploying an ETS solution
Member Unattended Report Collection – Technical Specification	Aggregators automating report collection
Service User Report Collection – Technical Specification	Aggregators automating report collection
Channels Code of Conduct	All Aggregators
Trust Service Code of Conduct	All Aggregators
BACS DOCUMENTATION	
File Structures – Electronic Fund Transfers	Aggregators for the Bacs service
Messaging - File Structures	Aggregators for the Bacs service
DDIC Members and Agency Guide	Aggregators for the Bacs service
Member Systems Code of Conduct	Aggregators for the Bacs service
Bacs Functional Specification	Aggregators for the Bacs service
ACCOUNT SWITCHING SERVICE DOCUMENTATION	

ASSD: Part 1 – 5	Aggregators for the Account Switching Service
Account Switching XML Schema Pack	Aggregators for the Account Switching Service
Account Switching Message Implementation Guide	Aggregators for the Account Switching Service
Account Switching Participant Code of Conduct	Aggregators for the Account Switching Service
Bulk Payment Redirection Service Definition	Aggregators for the Account Switching Service
CASH ISA TRANSFER SERVICE DOCUMENTATION	
Cash ISA Transfer Service Definition	Aggregators for the Cash ISA Transfer Service
Cash ISA Transfer Service Message Implementation Guide	Aggregators for the Cash ISA Transfer Service
Cash ISA Transfer Service XSDs	Aggregators for the Cash ISA Transfer Service

7 INDICATIVE ACCREDITATION TESTS

GENERAL CONNECTIVITY TEST	
REF	DESCRIPTION
ETS-01	Connect to ETS channel to submit input
ETS-02	Receive ETS response file
ETS-03	Connect to ETS channel to collect output
STS-01	Submit STS input to VocaLink
STS-02	Receive STS input acknowledgement file within 15 mins of submitting input
STS-03	Receive STS output file from VocaLink
STS-04	Submit STS output acknowledgement file within 15 mins of receiving output
BACS AGGREGATOR TESTS	
REF	DESCRIPTION
IN-1	Submit STD18 file with credits and debits
IN-2	Submit STD18 AUDDIS file
IN-10, IN-11	Submit return payment files (ARUDD and ARUCS)
IN-14, IN-15, IN-16	Submit messaging file (ADDACS, AWACS, and Bank Returned AUDDIS)
IN-17	Submit DDIC file (create and cancel DDICs)
OUT-1	Receive STD18 file with credits and debits
OUT-4, OUT-7	Receive return payment files (ARUCS and ARUDD)
OUT-62	Receive STD18 AUDDIS file
ACCOUNT SWITCH AGGREGATOR TESTS	
REF	DESCRIPTION

BACS ACCREDITED AGGREGATOR SERVICE

AS-IN-1	Submit all CASS (full switch) messages
AS-IN-2	Submit all partial switch messages
AS-OUT-1	Receive all CASS (full switch) messages
AS-OUT-2	Receive all partial switch messages
BPRS-01	Submit BPRS input file (Add / Delete) [Optional]
CASH ISA TRANSFER AGGREGATOR TESTS	
REF	DESCRIPTION
CISA-IN-1	Submit all Cash ISA Transfer messages
CISA-OUT-1	Receive all Cash ISA Transfer messages

8 CONTACT US

Should you require further information about becoming a BAA please contact us (the Bacs Onboarding Team) using the contact details provided below.

CONTACT DETAILS

Address:

Bacs Onboarding Team
2 Thomas More Square
London
E1W 1YN

Email:

Access@Bacs.co.uk

9 GLOSSARY

TERM	DESCRIPTION
Account Management (acmt)	ISO 20022 business area. ISO 20022 organises financial message definitions into business areas i.e. well recognised functional domains in the industry. These business areas are uniquely identified by four character codes called business area codes. (See also pain, pacs & camt.)
Automated Direct Debit Amendment and Cancellation Service (ADDACS)	Bacs service used to automate the process for paying banks to inform organisations of changes to Direct Debit Instructions.
Aggregator	An organisation that provides one or more PSPs with technical access to one or more payment systems
Also known as (aka)	Synonym, alternative label or name
Automated Return of Unapplied Credit Service (ARUCS)	Bacs message service that notifies payment originators of credit returns
Automated Return of Unpaid Direct Debits (ARUDD)	Bacs message service that notifies payment originators of Direct Debit returns
Automated teller machine (ATM)	A device that enables customers to withdraw cash from their accounts and/or access other services
Automated Direct Debit Instruction Service (AUDDIS)	The Bacs service that enables Direct Debit Instructions (DDI) to be electronically setup (by a ON transaction), cancelled (by a OC transaction), and changed (by OC/ON pairs) at PSPs by service users. (It removes the need for paper to be passed from the service user to the PSP.)
Advice of Wrong Account for Credits Service (AWACS)	A service that provides a service user with the correct destination account details to use for future credit payment instructions where a credit payment instruction has been amended in order for it to be applied to the correct destination.
Bacs approved bureau	An organisation that sends payments to Bacs on behalf of another organisation
Bacs Direct Credit (DC)	The Bacs scheme by which an organisation makes payments in bulk to individual bank accounts e.g. paying salaries
(Bacs) Direct Debit (DD)	The Bacs scheme by which an organisation collects pre-notified payments in bulk from individual payers' bank accounts e.g. utility bills
(Bacs) Direct Debit Instruction	An authority provided by a customer authorising their PSP to pay Direct Debits collected from their account. The DDI is sent by the service user to the payer's PSP electronically using AUDDIS (for AUDDIS service users) or by paper (for non-AUDDIS service users).
Bacs Service User	A company, group of companies, charity etc. that is sponsored to use one or more Bacs services
Business as usual (BAU)	The normal execution of operations within an organisation
Bank-to-Customer Cash Management (camt)	ISO 20022 business area. (See also pain, pacs and acmt.)
Current Account Switch	A free to use service that lets consumers and small businesses switch their current

TERM	DESCRIPTION
Service (CASS)	account from one participating bank or building society to another. It has been designed to be simple, reliable and stress-free and is backed by the Current Account Switch Guarantee.
Contra	A contra balances one or more credit payment instructions or debit payment instructions in an account section. Credits and debits must be balanced separately.
Direct Corporate Access (DCA)	Facility for the bulk submission of payments in files by corporates (or bureaux on behalf of a corporates) directly to the central infrastructure
DDIC	Direct Debit Indemnity Claim. Used by paying banks to advise DD service users of any claims made against their DD collections. The service also manages the settlement of these claims.
ISO 20022	An international standard for the development of financial messages
Major account redirection (MAR)	A Bacs facility that utilises AWACS Service C for the automated redirection of credits
Message Implementation Guide (MIG)	A description of how message definitions are to be used in the context of a specific business context (i.e. community of users)
Paper DDI	A paper DDI is completed and physically signed by the payer then lodged by the service user with the paying bank, typically by non-AUDDIS. For a non-AUDDIS DDI, where authorisation is subsequently challenged, indemnity liability resides with the paying bank. (For AUDDIS this liability resides with the service user.)
Paperless DDI	The DDI is completed electronically, or over the telephone, then lodged under AUDDIS
Payments Clearing and Settlement (pacs)	ISO 20022 business area. (See also pain, acmt and camt.)
Payments Initiation (pain)	ISO 20022 business area. (See also pacs, acmt and camt.)
Payment Engine (PE)	Payment engine component of Bacs central infrastructure
Payment Exception Management (PEM)	Bacs toolset used for the management of referrals and intervention instructions
Payments Strategy Forum (PSF)	A forum set up by UK's Payment Systems Regulator that comprises a wide range of industry stakeholders tasked with developing and agreeing strategic priorities for the long-term development of payment systems in the UK.
Payment Service Provider (PSP)	An organisation that provides payment services to their customers typically including making payments and enabling money to be paid into and withdrawn from an account
Scheme	A set of rules and technical standards for making payments
Service level agreement (SLA)	A contract between a service provider and a service user that defines the expected level of service
Standard 18	The Bacs standard file/record format used by the Direct Debit and Bacs Direct Credit schemes
Service user (SU)	User of payment service
Service user number (SUN)	A unique reference allocated to organisations authorised to use a service. In the context of Bacs, the SUN is a six digit number.

TERM	DESCRIPTION
User Header Label (UHL)	A Standard 18 file header record format
User Trailer Label (UTL)	A Standard 18 file trailer record format
eXtensible Mark-up Language (XML)	A language that defines a set of rules for encoding documents in a format that is both human-readable and machine-readable