

THE LITTLE BACS GUIDE TO **AUDDIS MIGRATION**

The essential guide for organisations
wanting to find out more about the benefits
of the Automated Direct Debit Instruction
Service and how to get started

WHAT IS AUDDIS?

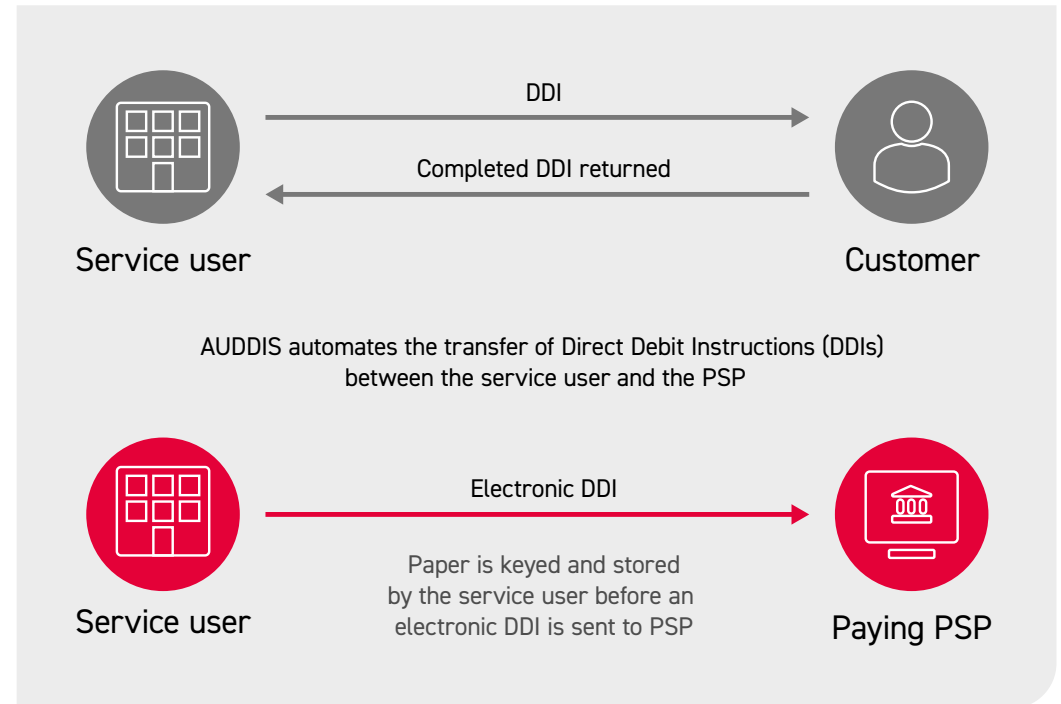
AUDDIS stands for the Automated Direct Debit Instruction Service. It automates one important part of a service user's Direct Debit process. Instead of posting a paper Direct Debit Instruction (DDI) to the payer's payment service provider (PSP), they send the details electronically, making it quicker, easier, safer and reducing the chance of human error in setting up the Direct Debit. Resulting in a better payment experience for everyone.



WHAT'S DIFFERENT ABOUT A DDI SET UP USING AUDDIS?

With AUDDIS the signed DDI is retained by the service user, not the paying PSP. Service users simply record their customers' details in their own system and lodge them electronically to the customer's PSP. Once the details are received by the paying PSP they are verified and accepted. If there is an issue e.g., Direct Debits cannot be set up on some accounts, the service user is informed via a report, which can be downloaded from the Payment Services Website or through their Bacstel-IP software package.

HOW DOES AUDDIS WORK?



THE BENEFITS OF AUDDIS - FASTER, SMOOTHER, CHEAPER

- The benefits of AUDDIS - faster, smoother, cheaper
- Reduces the time between when your customer's PSP receives and accepts the instruction and when you can collect your first payment
- Faster identification of invalid account information, significantly reducing unpaid Direct Debits and the time and money it costs to address that
- A far better quality of service for your customers - fewer manual steps, a shorter set-up time, and a reduced chance of hold-ups because of re-keying errors
- [The first step towards Paperless Direct Debit](#)
- Takes paper out of the banking system so it's more environmentally friendly – and it's now the accepted standard throughout the banking industry.

CARBON FOOTPRINT ASSESSMENT COMPARING AUDDIS TO PAPER BASED DIRECT DEBIT PROCESS REVEALED:

- Using AUDDIS results in an average saving of **22.27%** emissions per Direct Debit
- Based on the previous year's **11,800,000** lodgements the total emissions saved was **195.46 tCO2e**. This is equivalent to:



121 return economy class flights from London Heathrow to New York



Heating and powering **58** UK homes



Charging a mobile phone **46,204,185** times



Driving **1,175** trips from Land's End to John O'Groats



Driving **1,140,365** km in an average UK car

THE FOUR STEPS TO USING AUDDIS

There are just four steps on the journey to begin using [AUDDIS](#)

- **The application phase** – applying to your sponsoring PSP to be accepted to use AUDDIS
- The preparation phase – getting your software, systems and internal processes ready
- The testing phase – testing to ensure you can make valid AUDDIS submissions via the Bacs Payment System
- Go live – starting to use AUDDIS.

1 The application phase

The first step in your AUDDIS journey is to contact your sponsoring PSP.

When your sponsoring PSP receives your request to use AUDDIS they will issue you with an application form. You will need to complete and submit an [application form](#) for each service user number (SUN) that will be using AUDDIS.

Once you have completed and returned the form(s) to your sponsoring PSP the details of your request will be verified and added to an industry schedule (also known as a migration schedule) which is circulated to all sponsoring PSPs advising them of your application.

After your application is approved by your sponsoring PSP they will then progress it, keeping you informed of what is happening throughout the whole process.

2 The preparation phase

3 The testing phase

4 The go live phase

You will be given:

- An implementation date – the date when you will either:
 - Go live (service users with new SUNs), or,
 - Migrate (service users with existing SUNs and paper DDIs)
- “Test” AUDDIS status – meaning you will be able to undertake testing at any time once your system preparations are completed / well advanced, to ensure you can make valid AUDDIS submissions via the Bacs Payment System in readiness for going live.

The time taken from making an application, to going live, will depend on a number of factors, however on average it takes approximately 8 weeks.

You may find the [Service User’s Guide and Rules to Direct Debit microsite](#) a useful place to find out more information about what you need to do if you use the Direct Debit service.

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1 The application phase

2 The preparation phase

3 The testing phase

4 The go live phase

Once your application has been approved you can start preparing your systems ready for using AUDDIS, ensuring you have the necessary software, systems and internal processes in place.

It is recommended you map out your existing processes to determine what needs to change. This re-appraisal of your systems should be comprehensive and include, for example, staff training, internal and external documentation as well as marketing materials, document storage and retrieval.

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Once your systems have been prepared and your sponsoring PSP is happy with them you are ready to make your test submission to the Bacs Payment System.

This is the point when you need to demonstrate that you can meet the requirements of the AUDDIS submission process by completing one of the following tests. Which test is applicable will depend upon what type of AUDDIS applicant you are:

Service user with a new SUN	If you have already carried out a successful initial test on a previous SUN and wish to set up a further SUN using the same software, your sponsoring PSP may waive the requirement for an initial test
Service user with an existing SUN migrating paper DDIs	If you have paper DDIs to convert you are required to undertake a mandatory “volume” test. This involves submitting a file containing your entire DDI database using AUDDIS transaction code 0S (converting an existing manually set up DDI). Testing must use real customer data

After undertaking the appropriate test your sponsoring PSP will be provided with the results. You will also be able to view these on a test input report either via your Bacstel-IP software package or the Payment Services Website. This report should give you an indication of whether your sponsoring PSP is likely to accept these as successful results to enable you to start using AUDDIS. The volume test report is particularly important for you to examine, and if necessary, take any action on, as it will list each failed DDI detailing any errors that would emerge during the go live phase unless corrective action is taken.

Once you have successfully completed the required test and made any corrections, subject to approval from your sponsoring PSP, you can proceed to the go live phase.

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The final stage of the AUDDIS implementation depends upon whether you are a service user with a new SUN or migrating your paper DDIs.

Regardless of which type you are you will have been allocated an AUDDIS joining date. This date is a Bacs processing date and therefore first submissions need to be made at the earliest, on the working day before it (i.e. the input day of the Bacs cycle).

Service user with a new SUN

- Your SUN will be set to “live” AUDDIS status
- Your first submissions should be sent on the working day before your AUDDIS joining date (i.e. the input day of the Bacs cycle).

Service user with an existing SUN migrating paper DDIs

- You must stop sending paper DDIs to PSPs seven working days before your joining date. Keep them until after you migrate, when they can be sent electronically as new DDIs via AUDDIS
 - Your SUN will be set to “migrate” AUDDIS status
 - Your conversion file should be sent on the working day before your AUDDIS joining date (i.e. the input day of the Bacs cycle)
 - The conversion file should consist of one transaction code 0S (converting an existing manually set up DDI) for each customer you expect to be making collections from in the future, and should be the same as that sent for your volume test, with any additions to your DDI database since that time, plus any corrections made following the test. Cancelled or expired DDIs should not be sent.
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WHY NOT CONSIDER PAPERLESS DIRECT DEBIT AND REMOVE EVEN MORE PAPER FROM THE SYSTEM?

[Paperless Direct Debit](#) is an additional service available to AUDDIS enabled service users that allows full automation of the process of DDI completion and lodgement.

To become a Paperless Direct Debit service user it is a pre-requisite that you are an AUDDIS user, although it is possible to apply for, and become both at the same time.

You should contact your sponsoring PSP if you would like to apply to use Paperless Direct Debit as well as AUDDIS.



Bacs is owned and operated by leading retail payments authority Pay.UK, the company responsible for Faster Payments and cheques, as well as related services such as mobile app Paym, the Current Account Switch Service, and many others.

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

For further information visit www.wearepay.uk

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