



VICTIMS SUPPORT PROGRAMME
&
PEACE IV

Guidance Note on BACS Payments
G13/VSS

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1. Introduction and Background

- 1.1. This policy is intended to assist VSS funded organisations to make appropriate decisions about the use of BACS (Bankers' Automated Clearing Services) as a form of payment for suppliers, staff or other relevant parties.
- 1.2. BACS is an electronic system which allows payments to be made directly from one bank account to another. They are mainly used for Direct Debits or Direct Credits and the payments will take approximately 3 working days to clear, i.e., appear in the recipient's bank account.
- 1.3. There are a number of benefits to using BACS payments. For example, it can replace the need for cheques and remove the time consuming process of getting cheques back from the bank.
- 1.4. This Guidance Note outlines the standards & controls VSS funded organisations must observe when using BACS payments and details the information and supporting documentation relating to payments which must be attached to the VSS Expenditure Claim Form upon submission to the VSS.

2. Managing BACS Payments

- 2.1 Should a VSS funded organisation process BACS payments, the appropriate financial procedures must be updated to reflect the new/enhanced checks and processes required to process BACS payments.
- 2.2 The VSS requires that VSS funded organisations ensure that BACS payments are prepared by an appropriate individual then approved by at least two authorised individuals. A 'BACS Payment Form' (suggested template provided at [Appendix A](#)) must be completed for all BACS payment runs (i.e., where a number of BACS payments are being processed and not for each individual BACS payment, unless there is only one payment within the BACS payment run) and signed by the preparer and the authorised individual, i.e., the current

cheque signatories as agreed by the Board/Committee of the VSS funded organisation.

- 2.3 Depending on the banking system used, BACS payments will usually be added to the system by the 'preparer'. Each payment will require online authorization. Each payment must be authorised online by the same authorised individuals who approved the BACS Payment Form.

3. Required Documentation for Verification

- 3.1. In order to verify payments made through BACS, the VSS will require the following information:

- Original Bank Statements - These statements will show the details of each payment included in the claim;
- A 'BACS Transaction List' – This list must show each of the payee's bank account details. The list can be obtained from the bank or printed from the online banking system. If this document is printed, it must be noted on the print out that this has been printed and must be signed by an authorised individual;
- A 'BACS Payment Form' – This form must be completed and signed by the preparer and authorised individual;
- Original invoice – The original invoice relating to each payment. Where possible this invoice should include the bank details of the payee. If the invoice has been printed it must be noted on the print out that this has been printed and must be signed by an authorised individual. The cover email must also be printed and attached;
- Supplier bank details – If these are not detailed on the supplier's invoice, confirmation of the supplier's bank details in writing, from the supplier (not hand-written by the VSS funded organisation), must be obtained. If these have been provided by email and printed, it must be noted on the print out that this has been printed and must be signed by an authorized individual. The cover email must also be printed and attached.

If you require any additional information or guidance in relation to setting up and processing BACS payments, please contact your Verification Officer.

Appendix A – BACS Payment Form

VSS Funded Organisation BACS Payment Form

Payment Run Date: _____

Payment Run Amount: _____

Payment Run Controls Followed: Y / N

Prepared by

Print Name: _____

Signature: _____ Date: _____

Approved by:

1) Print Name: _____

Signature: _____ Date: _____

2) Print Name: _____

Signature: _____ Date: _____

Date Paid: _____