

COMMERCIAL BANKING

AGENCY
MANUAL
STERLING

User manual

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LLOYDS BANK

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Introduction

Before you begin to use our Agency Service, it is vital that you understand how the service works and all that is required.

Therefore, please read this manual carefully and ensure that you are able to comply with the standards and practices, which are outlined.

Lloyds Bank is a Settlement Member of various UK Industry Payments Schemes. For a full list of payment schemes, please visit the UK Payments Administration website at www.ukpayments.org.uk. Our interests are represented on all relevant committees and we also represent our customers (who are referred to as Agency Participants or Indirect Clearers).

The Bank must also abide by all regulations and standards outlined by the industry bodies of the payment schemes. Throughout this manual, you will see that there are strict regulations which are governed by the Cheque and Credit Clearing Company (C&CCC) and other industry bodies. These include the issue of cheque books and the timescales for returning cheques, etc.

As an Agency participant, you are expected to adhere to these standards and practices. Your Relationship Manager will be pleased to answer any questions you may have regarding these regulations.

As part of your day to day banking you will also be in regular contact with various specialised areas of Lloyds Bank and full contact details for these can be found in Chapter 3. Finally, Lloyds Bank is delighted to be working with you and is committed to helping ensure the successful operation of your Agency banking.

Best regards

Global Transaction Banking – Commercial Banking

The 2-4-6 and 2-6-6 changes

Following a report published in 2007 by the Office of Fair Trading Payments Systems Task Force, all banks that provide cheque clearing services in the UK have had to change the way in which they handle cheques.

Under this industry initiative various changes have been adopted by all banks to ensure that maximum timescales have been set for all component parts of the cheque clearing cycle.

The components have been broken down into the 'paying-in day' plus 2, 4, or 6 working days (i.e.2-4-6):

	Collecting Bank	Paying Bank	Collecting Bank
Day 0 (Mon)	Cheque deposited		
Day 1 (Tues)	Cheque processed	Cheque processed	
Day 2 (Weds)		Cheque cleared for value ¹ or cheque returned unpaid (E+1)	
Day 3 (Thurs)			Unpaid received & processed (E+2)
Day 4 (Fri)		Cheque cleared for fate ²	
Day 7+ (Tues)	Any cheques delayed during clearing and which are unpaid must be debited to the beneficiary, by the collecting bank by Day 7 (T+6). Failure to do so will lead to an operational loss, which will be incurred by the paying or collecting bank depending on where the delay has arisen.		

Notes

1. **'value' means the provision of credit interest or the reduction on payable debit interest;**
2. **'fate' means the cheque is assumed cleared and the customer can draw funds against the cheque from any channel;**

Customers have 'certainty of fate' if the cheque has not been debited back to their account by the close of business on T+6. The cheque is definitely cleared although there are exceptions relating to fraud if the customer him/herself is involved in the fraud.

These changes apply to customers paying in UK Sterling cheques issued by or deposited in to Sterling accounts with UK banks and building societies. The 2-4-6 changes have been implemented for Sterling current accounts and basic bank accounts whilst for UK Sterling savings accounts the maximum time limit for withdrawal is longer 6 days rather than 4 (i.e.2-6-6).

Bank Holidays

In determining whether an item has been returned after E+2 allowance needs to be made for Bank Holidays that may be in place in England, Isle of Man, Northern Ireland or Scotland in isolation. Such Bank Holidays do not impact the customer proposition.

Suspending the 2-4-6/-2-6-6 proposition

Due to the manual nature of paper clearings, from time to time, items will be lost and/or delayed at various points during the process. The proposition can be suspended by debiting your customer's account. Failure to debit your customer's account before the close of business on T+6 may lead to an operational loss as you will not be able to debit their account without their express permission in the event that the cheque is subsequently unpaid.

Throughout this manual we have made references to the need, "to consider debiting your customer" and in some instances we have asked you to contact us for advice. This advice may be to suspend the 2-4-6 proposition to protect both yourself and Lloyds Bank as your settlement bank, but if you decide not to do so (e.g. for customer experience reasons) any liability for losses will rest with you.

Chapter 1 – Remitting work to Lloyds Bank (outclearing)

This chapter includes most of the day-to-day routines and assist in overcoming problems that may be encountered with encoding and remitting work.

It is important to correctly present your remittances as the cheques and credits are automatically read and sorted using high-speed machinery.

You will appreciate that disruptions to our automated system can be very time consuming and could result in delayed clearance of your remittances.

NOTE: If you have queries regarding your remittance, please telephone iPSL Customer Care (Helpdesk) available Monday to Friday from 8am to 5pm.

Stationery

Cheques and Credits

All cheques and credits passed through the Inter-Bank clearing must be printed by an accredited printer that is a member of the Cheque Printer Accreditation Scheme (CPAS). This scheme was introduced with the aim of tackling fraud involving company cheques. Members of CPAS have stringent standards to meet the requirements for security, paper quality and layout.

To ensure that your items meet this standard or if you require approval for new stationery, please contact the Cheque and Credit Approval Group.

The following stationery items will be used in completing your remittance:

Control Vouchers

- Batch Tickets
- Sub total vouchers
- Remittance Docket Summary and Control Voucher
- Credit Remittance Summary

Please mark all Vouchers with details of your company/ bank title.

Miscellaneous

- Random Remittance Rubber Stamp
- Branch Crossing Stamp

Stationery Orders

Customers are automatically supplied with an initial stock of stationery – for further supplies, please email **Corp.BulkStationery@lloydsbanking.com**

Daily Routines

Processing the Cheques and Completing Your Daily Debit Remittance

All cheques which are processed must meet CPAS standards for paper quality and must be encoded with FULL Code line details, including transaction code – see below.

- Please check the payee's name is stated on the cheque and is the same as the customer's name on the account to which the cheque is being credited.
- Remove all pins, staples, sprocket holes and other attachments from cheques, as these are all causes of rejects and machinery breakdowns and could result in late clearance of the cheque(s).
- Place your crossing stamp on the front of each cheque.
- Add List (on a duplicate tally roll) all cheques taking a subtotal (NOT a total) after approximately 200–250 cheques. Please ensure that a duplicate tally roll is used as the bottom copy, which should be clearly legible, and must be retained for one year as an Audit Trail.
- For each bundle of 200–250 cheques, include a Sub Total Voucher (STV) at the back of the bundle.
- When you get to the end of the final cheque bundle total the add listing (please do not include a STV at the back of the final cheque bundle).
- Impress the, "Random Remittance Rubber Stamp" below the total on the listing, complete the relevant details within the area left by the stamp impression.
- Complete a BGC with the total number of cheques, the date and the total value of the cheques.
- Complete a Batch Ticket with today's date.
- Please note: Where the number of cheques exceeds 2,500, they should be separated into batches of 2,500 maximum, with a separate BGC and Batch ticket for each.
- Complete the summary voucher (46R) with the date and total cheque value.
- Bundle the entire remittance in the correct order with all vouchers present in accordance with the Bulk Cheque Preparation aide memoire.
- Complete a red polylope with the date and your remitting details.
- Place all items in the red polylope and securely seal the polylope.
- Full code line data must be retained either by microfilming your work, or using another acceptable method which is available on the market.

Transaction Codes for Debits

A full list can be obtained from your Relationship Manager.

10	Cheque – item must be presented through the clearing
12	Bankers Payment/Managers Cheques
17	Direct Debit

Processing the Credits

All Bank Giro Credits being remitted must meet CPAS Standards for paper quality and layout, and must be encoded with a minimum codeline of Sort Code, amount and transaction code.

- Ensure the front of all BGCs are clearly endorsed with your crossing stamp.
- Be sure to microfilm your credits, and check they are encoded with the relevant transaction codes as outlined below:

Transaction Codes for Credit Remittance

73	Consumer Credit and Mail Order Credit
74	Consumer Credit and Mail Order Credit – Full Length Joint Giro
77	Own Account – Personal Credit
78	Own Account – Non-Personal Credit
91	Joint Giro Credit – short code line
98	Sundry Credit (to include Manual Standing Order Credits)

Completing your Daily Credit Remittance

Remove all pins, staples, sprocket holes and other attachments from bank giro credits (BGC's) as these are all causes of rejects and machinery breakdowns and could result in late clearance of the credits.

Place your crossing stamp on the front of each BGC.

Add List (on a duplicate tally roll) the BGC's taking a subtotal (NOT a total) after approximately 200–250 BGC's. Please ensure that a duplicate tally roll is used as the bottom copy, which should be clearly legible, and must be retained for one year as an Audit Trail

For each bundle of 200–250 BGC's, include a Sub Total Voucher (STV) at the back of the bundle.

- When you get to the end of the final BGC bundle total the add listing (please do not include a STV at the back of the final BGC bundle).
- Complete one Banker's Payment, or cheque, for the total of BGCs remitted.
- Complete a Batch Ticket with today's date.

- Please note: Where the number of batch giro credits exceeds 2,500, they should be separated into batches of 2,500 maximum, with a Bankers Payment or cheque and Batch ticket for each.
- Complete the summary voucher (39R) with the date and total BGC value.
- Bundle the entire remittance in the correct order with all vouchers present in accordance with the Credit Random Remittances Preparation aide memoire.
- Complete a red polylope with the date and your remitting details.
- Place all items in the red polylope and securely seal the polylope.
- Full code line data must be retained either by microfilming your work, or using another acceptable method which is available on the market.

Checking the finished Remittances

The following points should be checked before the cheques/credits are submitted:

- Any error in listing the cheques/credits has been spotted, and the listings have been amended correctly in accordance with the Errors section detailed below.
- Ensure the following types of voucher are **not** included in the remittance:
 - Euro denominated cheques (please see the Euro Agency Manual for instructions on how to remit these).
 - Club or shop cheques (these items should not be printed with details of a Clearing Bank).
 - Cheques issued/payable abroad or drawn in a foreign currency.
 - Postal and money orders.
 - Bills of Exchange.
 - Tax vouchers.
 - National Savings Banking form B6.
- There are no staples, pins or attachments on the cheques/credits.
- No cheques/credits are upside down, back to front, or folded in half.
- Ensure the crossing stamp has been endorsed onto the face of each cheque/credit and is legible.
- **If the crossing stamp cannot be read, any cheque that has to be returned 'unpaid' may be subject to delay.**
- The remittances are correctly presented, in accordance with the Bulk Cheque and Credit Random Checklists.

Errors

If an error has been made in the listing of cheque/credits:

- On both the top and bottom copies of the listing, the incorrect amount should be underlined in red, and the correct amount indicated to one side. Deduct the incorrect amount from the listing and then add the correct amount.

Please take great care to ensure that alterations are correctly made and followed through to all lists and totals.

If a summary form (46R or 39R) is incorrectly completed, destroy the form(s) and complete a new one.

Remittance Differences

For full contact details of Research & Adjustment, refer to entry B in chapter 3.

A – Differences discovered by yourselves

Please note

A difference of a remittance will only be investigated within 12 months. However, if an item has been encoded or listed incorrectly an adjustment can be made up to 6 years after the date of remittance. It is very rare for this to happen as customer would usually notify their bank if a cheque they have issued has been debited for the wrong amount.

Adjustments to clearing differences will be made to your Sterling bank account under advice.

- Error identified and proven

Pass a correcting entry to your nominated Sterling bank account. You will need to supply full details of the error.

- Error suspected but not proven

Obtain a computer print-out of all cheques/credits processed within your remittance from R&A.

This print-out may then be checked back to your add listing in order to identify the error.

- Cheque(s)/Credit(s) listed within a remittance but not included in the remittance

If a cheque/credit is found in your office, which should have been included in a previous remittance, please contact R&A for guidance on how/where to forward the item (see Entry B, Chapter 3).

Items forwarded in this way may be subject to a delay in clearance.

B – Differences identified by iPSL

Missing Cheque(s)/Credit(s) not received by iPSL

If a cheque/credit is listed in your remittance but not received by iPSL, you will be advised of the missing item and your account will be debited/credited with the value of the missing cheque/credit.

- If payment is required against a photocopy of the item, or code line details, please complete a Lost Cheque Remittance Form and send it to R&A.
- R&A will then endeavour to clear the item with the paying bank.

- You must also consider debiting the beneficiary whilst R&A are attempting to obtain payment against the photocopy/code line details to suspend the 2-4-6 customer proposition. This is because despite the provision of a photocopy/code line details the paying bank/branch may refuse payment for a number of reasons i.e. refer to drawer, payment countermanded by order of drawer etc.

Please note

Unpaid cheques cannot be debited back to your customers account after close of business T+6 therefore failure to debit your customer in respect of the missing cheque may result in a loss to you if the paying bank/branch refuses payment against a photocopy or codeline details of the cheque.

- R&A will advise you if this action is unsuccessful. If payment has not been obtained we suggest that you contact the beneficiary and advise them to obtain a duplicate cheque from the drawer or arrange for payment to be made by alternative means.
- If payment has been obtained, the paying bank will either remit the Bank Giro Credit through the clearing or alternatively arrange to pass a credit to your account by an alternative method.

Cheque(s)/credit(s) remitted by yourself but not listed within a remittance

- You may be required to identify where and when a cheque/credit was listed within a remittance. If the cheque/credit cannot be identified as listed in a previous remittance, a credit/debit will be passed to your Lloyds Bank Sterling account.

Cheque(s)/credit(s) incorrectly listed

- R&A will notify you of the wrongly listed cheque/credit and a correcting entry will be passed to your Lloyds Bank Sterling account in settlement.

Non clearing items

- Should you include an item that is not eligible to be remitted through the UK Clearing System, the value of the item will be debited/credited to your Lloyds Bank Sterling account, under advice. Additionally, the item will be returned to you for action by your bank/financial institution.

Reconciliation

- You will need to reconcile any account entries so that any cheques delivered through a bulk scheme (on T) have been credited to your Sterling account on T+2. If the entries do not reconcile on T+3 you should urgently contact R&A for advice as potentially the clearings may have been delayed.

Missing Clearing Bags

If, after contacting R&A, it is established that the bulk clearing did not arrive at iPSL then an investigation will be undertaken in conjunction with the courier. In the event that the bag can still not be located you will have to consider debiting your customer in order to suspend the 2-4-6 proposition.

If, after contacting Customer Care (Helpdesk), it is established that the bulk clearing still cannot be located you should escalate this incident direct with Lloyds Bank Financial Institutions by email at fcientservices@lloydsbanking.com advising them of the number of cheques that were included in the remittance and the total value of the clearings. They will liaise direct with iPSL on your behalf to agree the most suitable course of action to resolve the issue. Financial Institutions will contact you to advise the procedures that have been agreed and to discuss the next steps.

Chapter 2 – Processing your In-Clearing

This chapter outlines the procedures which should be followed when processing work which Lloyds Bank receives through the Inter-Bank Clearing on your behalf.

Each day you will either collect your morning work from a local Lloyds Bank branch, or have it delivered to you in a designated polyloope.

Your In-Clearing may consist of cheques, credits, bureau clearing listings, along with the relevant debit and credit clearings computer listings.

Routine Procedures

Debit Clearing

Paying Cheques

Automated Debit Clearing Listing

You will receive an Automated Debit Clearing Listing (ADC) each working day, together with the cheques contained on it. In addition to the Cheque Number, Account Number and Amount, the ADC also shows the following information:

- ISN – the identifying number placed on the back of the cheque by the collecting bank. There will be no ISN present on cheques collected by Lloyds Bank.
- Sort CD – the Sort Code of the collecting bank and will be blank if the cheque was collected by Lloyds Bank.

NOTE: The information in these two fields can be useful if you need to identify the remitting bank but should not be relied upon as the primary source of that information. Always use the details contained in the crossing stamp on the front of the cheque if it is present.

- DIN – an identifying number placed on the back of the cheque as part of the Inclearing process.

Items of £1,000 and over are marked with an, “*” beside the account number and there are totals at the bottom of each page for cheques under £1,000 and £1,000+. This may be useful if your internal procedures require use of further routines for higher value cheques, e.g. for security purposes.

There are three parts to the listing:

- **Part 1** – Contains all cheques which have been processed by the automated systems in Clearings.

Part 1 may also contain some cheques which have NOT been debited to your account. These are called ‘over’ cheques and have been received from the collecting bank without their accompanying clearing data. ‘Over’ cheques are not included in any totals and are identifiable by:

a blank ISN column

‘*****’ in the Sort CD column, AND

a blank amount field

- **Part 2** – Individual cheques which in some instances may be either listed but not received (i.e missing cheques) or delivered, “loose in the bag” or, “free items”.
- **Part 3** – Contains cheques which have been ‘rejected’ – i.e. it has not been possible to process them on the automated system.

Part 3 may also contain some ‘over’ cheques as described in Part One above.

The following action should be taken:

- Add-list all cheques over £1,000 in Part 1 of the ADC listing, using the amount in figures field of the cheque and NOT the encoded amount. This ensures that the collecting bank has correctly encoded/listed these items and that any errors are identified as quickly as possible.
- All cheques listed in Part Two and Part Three should be add-listed in the manner described above.

Paying Cheques

Remember, to pay a cheque, you must hold a customer mandate to pay cheques written by them. If the mandate to pay is revoked by verbal or written warning/instruction, by customer’s instruction (stop, marital dispute, dissolution of partnership, etc.), or by compulsion of law (bankruptcy, Mareva injunction) you must not pay the cheque.

To return cheques unpaid, see Unpaid Outwards.

Credit Clearing

Credit Clearing Listing

You will receive a Credit Clearing Listing each day, together with the Bank Giro Credits shown on it, which are used to credit your customers’ accounts.

The Listing shows the following information:

AMOUNT – The value of the individual Bank Giro Credit

DIN – This is an identifying number placed on the back of the cheque as part of the Inclearing process.

ACC/REF NUM – The Account Number from the codeline of the BGC

There are two parts to the listing:

PRIME – Contains all BGCs which have been processed successfully on the automated system.

REJECTS – Contains BGCs which have been rejected – i.e. it has not been possible to process them on the automated system.

Bureau Clearing

The bureau clearing consists of automated direct debit and direct credit items which are passed to your agency sorting code. These are routed through Bacs, unless the sender of a credit, or the beneficiary of a direct debit, also banks with Lloyds Bank, in which case an internal system is used.

This clearing is given to you in the form of a computer listing.

Special Procedures

Unpaid cheques

Unpays Outwards

Unpaid Cheques should be returned on T+2 (i.e. E+1) of the clearing cycle – i.e. the day you receive them in your debit clearing (day 0 being the day they were paid into the collecting bank).

You must write the reason for return in red ink on the top left corner of the cheque and send it to the collecting bank. The unpaid cheque must be received by the collecting bank before 9.30am on the next business day.

Please note you can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should an unpaid be received late by the collecting bank.

The banking industry has agreed wording of acceptable reasons for return and these are shown below.

No other reason should be written on any cheque.

Reasons for return:

01. Refer to drawer
02. Refer to drawer, please represent
03. Effects Uncleared
04. Not signed in accordance with mandate
05. No Mandate
06. Payment stopped
07. Payment stopped – Theft Reported
08. Payment stopped – Awaiting Confirmation – Please Represent

09. Payment Prohibited by Legal Order
10. Payment Prevented – Insolvency Act Proceedings
11. Crossed by two Banks
12. Drawer Deceased
13. Suspected Fraudulent/counterfeit Cheque discovered within the clearing cycle
14. Account Closed
15. Not allocated
16. No Account
17. Non Clearing Item
18. Post Dated
19. Out of Date
20. Words and Figures Differ
21. Alteration Requires Drawer's Signature
22. Payee's Discharge Required/Irregular
23. Cheque Incomplete
24. Cheque Drawn in Pencil
25. Mutilated Cheque
26. Refer to Drawer – Not Drawn in Accordance with Cheque Card Criteria
27. Signature Differs – Not Drawn in Accordance with Cheque Card Criteria
28. Payment Stopped – Not Drawn in Accordance with Cheque Card Criteria
29. Original Cheque Required (where a photocopy has been presented)
30. Missing Cheque – drawer refuses permission to debit
31. Missing Cheque – unable to obtain drawer's permission to debit
32. Refer to Drawer – Insufficient Funds (used by banks in Scotland)
33. Refer to Drawer – Insufficient Funds – Please Represent (used by banks in Scotland)
34. Advice of Drawing Required – Please Represent
35. Member internal use
36. Member internal use
37. Sight of Paper Required (SOPR)*
38. Member internal use
39. Prevented: Drawer's Bank in insolvency or administration procedure
40. Account Switched
41. Account Switched Potential Stop

*Sight of Paper Required (SOPR) is a returned cheque reason that can be invoked in certain circumstances when a cheque is delayed or goes missing in the clearing process in order to ensure that the paying banks position can be protected and the 2-4-6 proposition can be complied with.

The destination of the collecting bank should be taken from the crossing stamp, referring to the Sort Code Directory/ISCD as necessary.

Cheques being returned unpaid should always be returned on the date of receipt (i.e. the day they are listed in your debit clearing).

Legal Orders

In the event that a Legal Order has been signed and as a result it becomes necessary to, “unpay” an item that had already been paid, it will be possible to return an item up to 24 hours after the specified deadline. In this instance, Return Reason 09, “Payment Prohibited by Legal Order” must be used and the Collecting Bank must be telephoned as soon as possible to inform them of the situation. Take the first and last name of the person at the Collecting Bank to whom you give the notification and write their full name on the back of the item to be returned.

Claim for Unpaid (manual claim)/Advice of Unpaid Item (Bacs)

Form number 11029 – claim for unpaid (manual claim) should be used where you make claims through the debit clearing.

The form for claims for unpaids (manual claim) is in two parts:

1. A copy which is passed through clearing and should therefore include the destination Sort Code and Transaction Code 13 in the encoding line.
2. A copy which is sent together with the cheque with the reason for return to the receiving Bank Branch or central processing centre (there is also a file copy which should be retained for your own records).

Alternatively if you make claims via Bacs form number 11030 – advice of unpaid item (Bacs) should be used.

The advice of unpaid (Bacs) consists of a copy which is sent together with the cheque bearing the reason for return to the receiving Bank Branch or central processing centre and a file copy to be retained for your own records.

The following information should be included when completing a Claim for Unpaid (Manual Claim)/Advice of Unpaid (Bacs)

- A separate advice must be used for each unpaid item and the following detail must be included.
- Date of advice which should be the date the decision is made to return the item unpaid (i.e the day you receive the cheque in your debit clearing).

- Drawee/Paying Bank or branch sorting code number which will be the address and sorting code encoded on the cheque. If the bank/branch returning the item is not the drawee/ Paying Bank this will be the sorting code of the returning bank/branch or Central Unpaids Unit.
- Destination bank name and address and sorting code number.
- Drawer’s account number.
- Amount.
- Reason for Return (including whether the cheque is present or not).
- The unpaid cheque must be received by the collecting bank before 9.30am on the next business day. Please note you can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should an unpaid be received late by the collecting bank.

Wrongly Delivered Items which have been listed and charged

If you receive individual wrongly delivered items in your inward debit clearing that have been listed and charged, you should return the cheques to the Collecting Bank with the reason, “Wrongly Delivered – No Account” using a Manual Claim for Unpaid Form (where you pass entries using the debit clearing) or Advice of Unpaid form (where you pass entries using Bacs).

- You must write the reason for return in red ink on the top left corner of the cheque and send it to the collecting bank. The unpaid cheque must be received by the collecting bank before 9.30am on the next business day.

These cheques must be returned in a separate envelope clearly marked, “Wrongly Delivered Items” and be received by the collecting bank before 9.30am on the next business day.

- Please note you can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should an unpaid be received late by the collecting bank.

Wrongly Delivered Items which have not been listed and charged

If you receive individual wrongly delivered items in your inward debit clearing that have not been listed and charged, you should return the cheque to R&A using a covering compliment slip, confirming that no entries have been passed and the cheque was received in error.

You must not pass any entries or raise any clearing adjustment forms.

If you receive a batch of wrongly delivered cheques you should contact iPSL Customer Care (Helpdesk) for advice.

Uncrossed Returns

If the crossing stamp of a cheque to be returned unpaid is absent or illegible, the cheque should be returned to the collecting banks default Sort Code on T+2 (i.e. the same day the cheque is received in your debit clearing).

You will need to refer to the Sort Code column on the automated debit clearing listing and forward the unpaid advice and cheque to the collecting bank default Sort Code, where the first two digits of the Sort Code are listed.

[Click here to view Collecting bank Sort Codes and locations.](#)

In the event that this information is not clear or there is insufficient data, you should telephone R&A and provide them with full details of the cheque and DIN number (which can be found on the automated debit clearing listing). R&A will check their records and will advise you as to where the unpaid cheque should be sent.

Please remember to look on the back of the returned cheque to see if a rear endorsement has been used which will enable you to ascertain the collecting bank Sort Code and thus return the cheque via normal procedures.

The reason for dishonour must be annotated IN FULL, in red ink on the top left portion of the cheque.

Form number 11029 – claim for unpaid (manual claim) should be used where you make claims through the debit clearing.

Form number 11030 – advice of unpaid item (Bacs) should be used where you make claims via Bacs.

You can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should the unpaid be received late by the collecting bank.

Please note: – the unpaid cheque must be received by the collecting banks default Sort Code before 9.30am on the next business day.

Missing Cheques to be returned Unpaid

Missing cheques to be returned for the reason refer to drawer or payment stopped etc.

If a cheque drawn on one of your customers is listed in your debit clearings, but the original cheque is not received, you must first make a decision, based on the codeline data, as to whether the cheque would be returned for any reason such as a stopped cheque, or refer to drawer etc.

In these circumstances a claim for unpaid must be issued, even though the original cheque is missing.

Form number 11029 – claim for unpaid (manual claim) should be used where you make claims through the debit clearing.

Form number 11030 – advice of unpaid item should be used where you make claims via Bacs.

As you will not have the original cheque (and therefore no crossing stamp details) you will need to refer to the Sort Code column on the automated debit clearing listing and forward the unpaid advice to the collecting bank default Sort Code, where the first two digits of the Sort Code are listed.

[Click here to view Collecting bank Sort Codes and locations.](#)

In the event that this information is not clear or there is insufficient data you should telephone R&A and provide them with full codeline details and DIN number (which can be found on the automated debit clearing listing). The helpdesk will check their records and will advise you as to where the unpaid cheque should be sent.

You can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should the unpaid be received late by the collecting bank. **Please note:** the advice of unpaid must be received by the collecting bank default Sort Code before 9.30am on the next business day.

Missing cheques to be returned for the reason, “Sight of Paper Required”

If having decided that the cheque would not be returned for any reason, and you are not in a position to pay the cheque without sight of the original cheque, you can return the cheque, “Sight of Paper Required”.

In these circumstances a claim for missing unpaid (copy acceptable/not acceptable only) must be issued, even though the original cheque is missing.

Form number 12363 – claim for missing unpaid (manual claim) should be used where you make claims through the debit clearing.

Form number 12364 – advice of missing unpaid item (copy acceptable/not acceptable) should be used where you make claims via Bacs.

When completing the claim for missing unpaid/advice of missing unpaid item (copy acceptable/not acceptable) you should indicate as to whether you will consider paying the cheque against a copy (please note this is not confirmation that the copy of the cheque will be paid).

A separate advice must be used for each unpaid item and the following detail must be included.

- Date of advice which should be the date the decision is made to return the item unpaid (i.e the date the cheque is listed in your debit clearing).
- Drawee/Paying Bank or branch sorting code number which will be the address and sorting code encoded on the cheque. If the bank/branch returning the item is not the drawee/ Paying Bank this will be the sorting code of the returning bank/branch or Central Unpaid Unit.

- Destination bank name and address and sorting code number.
- Drawer's account number.
- Amount.
- Reason for Return (including whether it is acceptable to the Paying Bank for a copy of the item to be presented. Where there is no indication it will be assumed that a copy is acceptable).
- ISN number (details taken from the automated debit clearing listing).
- DCV total and fixing (it is important these details are included on the advice/claim for unpaid where the serial number and account number of the missing item has not been listed on the automated debit clearing listing).

As you will not have the original cheque (and therefore no crossing stamp details) you will need to refer to the Sort Code column on the automated debit clearing listing and forward the unpaid advice to the collecting bank default Sort Code, where the first two digits of the Sort Code are listed.

[Click here to view Collecting bank Sort Codes and locations.](#)

In the event that this information is not clear or there is insufficient data you should telephone the R&A Helpdesk and provide them with full codeline details of the cheque and DIN number (which can be found on the automated debit clearing listing). R&A will check their records and will advise you as to where the unpaid cheque should be sent.

You can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should the unpaid be received late by the collecting bank. **Please note:** the advice of unpaid must be received by the collecting bank default Sort Code before 9.30am on the next business day.

Non standard paper

The use of, "non-standard paper" (i.e. cheques which have not been printed by an accredited printer) require more manual intervention. It is therefore inevitable that there will be increased numbers of cheques of this type that, "go missing" in the clearing system. You are therefore encouraged to issue your customers with cheque books which have been printed by an accredited printer who is a member of CPAS.

If the missing cheque has been issued on non standard paper the debit clearing listing will not include any code line data).

In this event, you should contact R&A Helpdesk and provide them with the appropriate DIN number listed on the debit clearing listing which relates to the missing cheque.

R&A will provide you with the DCV total, fixing and the collecting bank default Sort Code which should all be included when completing a claim for missing unpaid/advice of missing unpaid item (copy acceptable/not acceptable).

If an ISN number is quoted on the debit clearing listing this should also be included when completing a claim for missing unpaid/advice of missing unpaid item (copy acceptable/not acceptable).

Please note: the advice of unpaid must be received by the collecting bank default Sort Code before 9.30am on the next business day.

You can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should the unpaid be received late by the collecting bank.

Sight of Paper Required – Not Prepared to pay Against a Copy

If you are not prepared to debit your customer against a copy of the cheque, please ensure the, "copy not acceptable" box is crossed when issuing the claim for missing unpaid/advice of missing unpaid form. The collecting bank will, upon receipt treat this notification as a, "final answer", debit their customer and send an advice to the beneficiary that the cheque has not been paid.

The beneficiary will then need to contact the drawer to obtain payment. No action should be taken if the original cheque turns up at a later date.

Reversal of SOPR Decision

A Sight of Paper Required return decision cannot be reversed under any circumstances even if the original cheque turns up at a later date. This is because the collecting bank may decide not to pursue the option of trying to obtain payment against a photocopy of the cheque and there will be no way to trace where they have got to in their investigations.

You must take no action until R&A present the copy to you for payment as passing additional entries, etc. will further confuse the position.

SOPR Thresholds

Before using the Sight of Paper Required return reason you may want to consider the following:

- The majority of missing cheques will be, "in order" and would be paid on presentation.
- Your customer's account will be debited with the amount of the cheque on the original date of presentation. Using SOPR will generate a credit to your customers account. The account will then be debited a second time if you decide to pay against a photocopy of the cheque upon presentation.
- Due to the manual nature of the process there will be delays in the collecting bank obtaining a copy of the cheque and presenting it for payment.
- Using SOPR will create additional workloads.

Bearing in mind these points you may want to consider setting an internal threshold under which the SOPR return reason will not be used. The amount will depend on your risk appetite as if it later transpires that there is a technical irregularity with the cheque then it will be too late to return the cheque unpaid. This, "operational loss" will have to be borne by you as you did not use the SOPR return cheque route.

Outward Unpaid Cheques Received between T+4 and T+6

If a Collecting Bank raises a notice that they have received an unpaid cheque between T+4 and T+6 they may telephone you directly or the R&A Disputes Team.

Upon receipt of the call from the Collecting Bank you should immediately telephone the R&A Disputes Team with the cheque details and confirmation that you returned the cheque on E+1 (i.e. the day you received the cheque in your debit clearing).

Alternatively, if the Collecting bank contacts the R&A Disputes Team direct they will advise you by telephone.

If an irrecoverable loss occurs, the Collecting Bank will either contact you direct or the R&A Disputes Team. You should then liaise with the R&A Disputes Team and they will investigate and ascertain where the error occurred and liaise with the Collecting Bank where appropriate.

Outward Unpaid Cheques Received after T+6

If a Collecting Bank issues a notice to the effect that they have received an unpaid cheque after T+6 they may telephone you directly or the R&A Disputes Team.

You should liaise with the R&A Disputes Team and they will investigate and ascertain where the error occurred and liaise with the Collecting Bank where appropriate.

Unpaid Inwards

Inward Unpaid Cheques received on T+3

Cheques which have been remitted to iPSL using one of our Bulk Cheque Schemes and crossed by you will be returned by the paying bank directly to iPSL Bulk Centralised Unpaid (BCU).

- BCU will fax a copy of the unpaid cheque and telephone you to confirm receipt of the fax notification.
- Upon receipt of the fax notification you should immediately pass a debit to the beneficiary's account.
- BCU will submit a manual claim for unpaid to your agency Sort Code through the Automated Debit Clearing (paper clearing) and return the original cheque to you.
- Timescales can be delayed if the crossing stamp on the item is unclear or omitted.

Cheques which have been paid in over Lloyds Bank Counters will be returned by the paying bank direct to Lloyds Bank Centralised Returns Inwards Unit (CRI).

- CRI will fax a copy of the unpaid cheque and telephone you to confirm receipt of the fax notification.
- Upon receipt of the fax notification you should immediately pass a debit to the beneficiary's account.
- A debit will be passed to your account and the original cheque will be returned to you.

NOTE: If the beneficiary account of the cheque returned to you is held by another bank/financial institution, then telephone advice of the return must be given to that bank as early as possible to enable a debit to be passed to the beneficiary's account within the timescales to suspend the 2-4-6 proposition. Request the name of the recipient of the call, and record it in case of future discrepancy. Return the cheque to the account

holding bank and pass a manual Claim for Unpaid (if you make claims through the debit clearing) or Advice of Unpaid (Bacs) if you make claims via Bacs to the appropriate Sort Code

The additional information from Collecting Bank to Beneficiary Bank should be included on the Claim/Advice of Unpaid

- Drawee branch sorting code number
- Collecting Bank/branch reference
- Name of account credited
- Beneficiary Sort Code and account number where available
- Date item paid in
- Amount of credit

Inward Unpaid Cheques Received between T+4 and T+6

Upon receipt of an unpaid cheque advice fax from us, you must check that the return has been advised to you before the close of business on T+6. If an unpaid cheque is returned and advised to you between T+4 and T+6 you should debit your customer's account. However if by debiting your customer you feel there is the real possibility of a subsequent irrevocable loss then you will need to put the, "Paying Bank on notice". **NB – Notice must be raised by exception rather than the rule.**

To put the paying bank on notice you should telephone the R&A Disputes Team within 2 working days and provide them with the cheque details, together with confirmation of T. Please also confirm this telephone call by faxing notification to R&A Disputes Team. They will then contact the Paying Bank and raise the notice with them.

If an irrecoverable loss occurs, you should contact the R&A Disputes Team again and they will investigate to ascertain where the error occurred and liaise with the Paying Bank to obtain reimbursement. As disputes have to be notified by T+16 Lloyds Bank will require your instructions by T+13 in order to allow us sufficient time to undertake the investigation. A claim can only be made if the Paying Bank has been put on notice.

Inward Unpaid Cheques Received after T+6

Upon receipt of an unpaid cheque advice fax from us, you must check that the return has been advised to you before the close of business on T+6. If the unpaid is outside these timescales you cannot pass the debit to your customer's account without their permission.

You should immediately telephone the R&A Disputes Team with the cheque details, together with confirmation of T. Please also confirm this telephone call by faxing notification to **0845 300 2580**. They will then investigate to ascertain where the delay has occurred and liaise with the Paying Bank on your behalf.

Non Receipt of Unpaid Cheques

If a debit claim for unpaid (or a Bacs debit) is received for which you have not received a corresponding unpaid cheque, you will need to contact the originator of the debit immediately. They will supply you with information which should enable you to debit the payee for the amount unpaid.

If you do not subsequently receive the cheque, the debit should be passed to the beneficiary's account and a duplicate cheque obtained.

If you are unable to apply a Manual Claim for Unpaid from the information given, you should refer back to the originator but the Manual Claim for Unpaid should not, itself, be returned unpaid.

Non Receipt of Clearing Debit Advice

If the debit claim for unpaid (or Bacs debit) has not been received within 3 working days after receipt of the Unpaid Cheque, the returning bank/financial institution must be contacted.

Current Account Switch Service – Cheque Forwarding

- One of the key principles of the Industry Account Switch Scheme is that following the transfer of the account from the "Old Bank" (OB) to the "New Bank" (NB) any cheques drawn on the customer's OB account will be presented to the NB for a pay/no pay decision. This process is manual due to the nature of cheque processing. The redirection service will remain in place for 13 months after the account switch. Any cheque presented to the OB after 13 months will be returned for the reason "Account Closed".

Changes to the Cheque Clearing Scheme

- The Cheque Clearing Scheme has introduced a new element as part of the Cheque clearing process which will present cheques to the New Bank for a pay/no pay decision. Cheques which have been deposited in to the clearing scheme will be processed and presented to the Old Bank following existing processes. However as the account has switched these will be returned unpaid to the collecting settlement bank using new return reason codes "Account Switched" or "Account Switched-Potential Stop".
- These cheques will then be presented by the collecting settlement bank to the new bank using a new memo process and the New bank will need to make a pay/no pay decision.
- T+3 – LBG will provide details of the unpaid cheque to you following the same process as occurs today.
- T+3 – Upon receipt of the fax you must debit your customer to suspend 2-4-6 in accordance with cheque processing rules. (NB LBG will not pass any entries to your account at this stage).
- T+3 / "Reset" T+0 – LBG will extract any cheques that have been returned account switched and as long as the OB has provided the NB details we will present the cheque for a pay/no pay decision to the NB using a new "memo" process. T will be reset to "0".
- T+3 / "Reset" T+0 – To align this reset memo process to reset 2-4-6 you must re-credit your customer's account. (NB LBG will not pass any entries to your account at this stage).
- Reset T+2 / T+3 – NB will make a pay/no pay decision. If paid no further action is required. If the cheque is not paid the paying bank will return the cheque to LBG.
- Reset T+3 – We will advise you of the unpaid cheque and debit your account following the same BAU process for Inward Unpaid Cheques received on T+3.

Missing Clearings

In the event that an entire clearing is not delivered you will need to contact iPSL Customer Care (Helpdesk) and they will attempt to locate your clearings. If necessary they will arrange for a copy of your automated debit clearing listing to be faxed to you.

Using the automated debit clearing listing you will need to issue an advice of unpaid cheque form where you know that a cheque will not be paid, for example where the cheque has been stopped or there are insufficient funds to debit the drawer's account.

In these circumstances claim for unpaid forms must be issued, even though the original cheques are missing in accordance with the procedures detailed under the Unpaid Cheques headings:

- Missing cheques to be returned for the reason refer to drawer or payment stopped etc.
- Missing cheques to be returned for the reason, "Sight of Paper Required".
- Non standard paper.

You can decide on the method of returning an unpaid cheque (i.e. guaranteed next day delivery, private courier etc.) however if you elect to use 1st class post you may be exposed to a greater risk of loss should the unpaid be received late by the collecting bank. **Please note:** the advice of unpaid must be received by the collecting bank default Sort Code before 9.30am on the next business day.

Please note:

The use of threshold limits will be particularly relevant when a large number of cheques or an entire clearing is not delivered to you for whatever reason. In these exceptional circumstances you may decide to return cheques one day late (as the collecting bank can debit their customer up to close of business T+6). However in the event that the collecting bank is unable to debit their customer or the funds become, "unrecoverable" the liability will remain with you.

Before issuing a large number or SOPR advices please contact the R&A Disputes Team for further guidance.

Special Presentations

You may be asked by another bank to determine fate on an item drawn on a customer of yours as a **Special Presentation (or Direct Remittance)**. In this case, you will receive items directly from the presenting bank, and you will need to have procedures in place to handle such items in accordance with the Cheque and Credit Clearing Company Special Direct Presentation Procedures. When presented by post, the cheque must be accompanied by a form incorporating a tear off bank giro credit slip.

For amounts less than £500,000, settlement is through the Credit Clearing using the bank giro credit slip attached to the presentation form, alternatively Bacs or CHAPS may be used. For amounts of £500,000 or more, settlement is made via CHAPS. The CHAPS payment should be made on the day of presentation.

As a safeguard against fraud, the CHAPS message field should indicate that the payment is in settlement of a special presentation and quote any reference number which has been allocated by the Collecting Bank. The names of the drawer or payee of the cheque should not be quoted. The remitter's name will be that of the Paying Bank and the beneficiary's name that of an internal account at the Collecting Bank.

When presented with a cheque for special presentation, you must give advice of fate over the telephone, and give your name to the recipient/requesting bank. Once fate has been advised in this way, this is final and cannot subsequently be reversed.

Additionally, you will need to develop a form for making your own Special Presentations.

[Click here to view a sample of Lloyds Bank's form for making Special Presentations \(form number 11023 entitled 'Direct Remittance'\)](#).

Stopped Cheques

Stopped Cheques must be returned on day of presentation, with an answer advised in full, not abbreviated. To accept a stop payment from a customer, you must have a written request (a telephone call can be accepted, however it must be followed up by written confirmation).

Cheque Conversion Claim

Beneficiary claiming non receipt of funds

In the event that a customer contacts you advising that their account has been debited in respect of a cheque for which the beneficiary is claiming non receipt of funds you should contact R&A requesting that they put a , "trace" on the item.

To enable R&A to investigate they will require a clear photocopy (front and back of the cheque) with details of where the cheque was listed in your debit clearings including the date and total of the clearings. R&A will contact the collecting bank to establish if the correct beneficiary has been credited with the proceeds.

If the collecting bank advises they have credited the wrong account in error they should pass correcting entries and advise R&A of their actions. R&A will advise you once they receive confirmation that correcting entries have been passed by the collecting bank.

If it transpires the cheque is a , "potential" cheque conversion you will need to contact the collecting banks branch direct in writing stating that you believe the item which was deposited at their branch counters has been converted, and you require immediate reimbursement of funds. Clear copies (front and back) of the paid cheque should accompany the claim to the collecting bank.

Returning Direct Debits

If a direct debit needs to be returned, you will need to generate an Automated Return of Unpaid Direct Debit (ARUDD) via the Bacs Payment Services website. For detailed information on the procedures that need to be followed, please refer to the following Bacs User Guides:

- [A Services Member and Agency Guide.](#)
- [Payment Bank Guide and Rules to the Direct Debit Scheme.](#)

(Please note: to obtain access to the Bacs reference user guides, please [click here.](#))

Clearing Adjustments – Debits and Credits

No Clearings or Wrong Clearings received

If you receive the morning work of another agency customer, or do not receive any work at all, please contact Customer Care (Helpdesk) immediately.

Clearing Adjustments

Care: – Missing cheques must be processed using the Sight of Paper Required (SOPR) process.

If a cheque/bank giro credit is not listed, wrongly listed/encoded you will need to complete a clearing adjustment form. Remember to use a separate form is to be used for each adjustment.

- The **Credit Clearing Adjustment Forms** should be used for clearing adjustments which relate to your Inward Credit Clearings. Examples of the forms can be viewed by clicking on the following hyperlinks:

Credit Clearing Adjustment Form – (BGC) Form number 12385

Credit Clearing Adjustment Form – (IBD) Form number 12386

- The **Debit Clearing Adjustment Forms** should be used for clearing adjustments relating to your Inward Debit Clearings. Examples of the forms can be viewed by clicking on the following hyperlinks:

Debit Clearing Adjustment Form – (IBD) Form number 12387

Debit Clearing Adjustment Form – (BGC) Form number 12388

In each case the adjustment form should be completed with full details of the adjustment (including your Sort Code and account number details in the bank giro credit or inter branch debit section).

Failure to include these details will result in the form being returned to you with no entries passed.

What should I do with my completed form?

Step 1 Fax a copy of your form, listing, the front and back of your cheque or bank giro credit to R&A on: **01604 665477/665050**

Step 2 Send an original copy of your form (without detaching the IBD/BGC), listing, the front and back of your cheque or bank giro credit to Research & Adjustment (R&A) at:

Lloyds Bank plc
Research & Adjustment
iPSL
Blaise Pascal House
100 Pavilion Drive
Brackmills Industrial Estate
Northampton
NN4 7YP

Once R&A receive your form they will work the case, process the adjustment and send the BGC/IBD in the appropriate clearing to your Sort Code and account number.

Please note that a clearing adjustment form can only be used for clearing adjustments and NOT for missing cheques.

Care: – Missing cheques must be processed using the Sight of Paper Required (SOPR) process .

Please note

It is important that you use the correct form for adjustments. All differences, errors, problems, etc. must be dealt with on an immediate Urgent basis, as delays can adversely affect your success of achieving reimbursement of funds, reconciliation and agreement of your clearings.

Debit Clearing Adjustments

Mis-sorted Items (Drawn on another bank/financial institution).

- Listed on the Automated Debit Clearing Listing

Please refer to:

Wrongly Delivered Items which have been listed and charged

- Not listed on the automated debit clearing listing

Please refer to:

Wrongly Delivered Items which have not been listed and charged

Errors in Automated Debit Clearing

- Cheque incorrectly listed

You should debit the customer's account with the correct amount and complete a Clearing Adjustment form (either 12387 or 12388 depending on whether you require a debit or credit to be passed to your account) with full details of the adjustment. A clear photocopy of both sides of the 'offending' item should be stapled to the top portion of the form with a copy of the Automated Debit Clearing Listing and the procedures listed under the heading Clearing Adjustments in the opposite column should be followed.

Before despatch, fax a copy of the clearing adjustment form, cheque (front and back) and the debit clearing listing to R&A.

- Cheque is received but not listed

You should debit the customer's account and issue Clearing Adjustment Form 12387. The form should be completed with as much detail as possible and sent by direct post together with a clear photocopy of the item (front and back) to R&A.

Before despatch fax a copy of the clearing adjustment form, cheque (front and back) to R&A.

Should the item(s) be for another bank you should contact R&A immediately.

Missing items (General)

If a photocopy of a cheque is available, it should be debited to your customer's account without their authority (This is standard Inter Bank practice, and we would expect, in all but extremely unusual circumstances, for you to adhere to this practice).

If codeline details only are available it is also standard Inter Bank practice that you would pay the cheques.

If you choose not to pay the cheque for any reason, you must follow the procedures listed under the heading Unpaid Outwards.

- Missing Items (with full codeline details available in the Day's Work)

Debit customer if customer is identifiable

If customer is unidentifiable, you will need to follow the procedures listed under the heading, Missing Cheques to be returned for the reason, "Sight of Paper Required".

Please note: When completing the claim for missing unpaid (copy acceptable/not acceptable only) form please ensure the, "No account" and, "Copy not acceptable" boxes are crossed.

- Missing Items (Required to be returned unpaid)

You will need to follow the procedures listed under the heading Unpaid Outwards.

Please note

Should the cheque subsequently arrive at your Branch, no action is required as you would have previously debited the collecting bank by following the procedure, "Missing cheques to be returned unpaid etc."

Credit Clearing Adjustments

- Credit(s) listed but not received

If you require a copy of the bank giro credit, write to R&A, to arrange the supply of a photocopy of the original BGC.

The following information will be required:

- Work date.
- Total value of the clearing.
- Amounts of the two BGCs either side of the missing BGC on the list.
- Bank Giro Credit received but not listed

If the credit(s) is payable to yourselves you should credit the customer's account and issue Clearing Adjustment Form 12385. The form should be completed with as much detail as possible and sent by direct post together with a clear photocopy of the item (front and back) to R&A.

Before despatch fax a copy of the clearing adjustment form and bank giro credit (front and back) to R&A.

If the credit is payable to another bank/financial institution, forward the BGC to R&A with a brief note detailing when and how it was received. Retain a photocopy of the item with the day's work.

- Bank Giro Credit(s) listed incorrectly

Credit the correct value to the beneficiary account and submit a correcting Clearing Adjustment Form (either 12385 or 12386 depending on whether you require a debit or credit to be passed to your account) with full details of the adjustment. A clear photocopy of the 'offending' item (front and back) with a copy of the Credit Clearing listing should be stapled to the top portion of the form.

Before despatch fax a copy of the clearing adjustment form, bank giro credit (front and back) and a copy of the listing to R&A.

- Items that cannot be applied

Contact the remitting bank/financial institution requesting further details. If the remitter's endorsement is illegible or missing, write to R&A requesting this information. R&A will require the work date, total value of the clearing and amounts of the two BGCs either side of the unapplied BGC on your listing.

- Listed to you in error

Please forward the item to the correct destination with a covering letter and payment. Retain a photocopy of the item with the day's work.

Clearing Adjustments – Bureau

- Unpaid/Unapplied Direct Debits

If a direct debit needs to be returned, you will need to generate an Automated Return of Unpaid Direct Debit (ARUDD) via the Bacs Payment Services website. For detailed information on the procedures that need to be followed, please refer to the following Bacs User Guides:

- A Services Member and Agency Guide.
- Payment Bank Guide and Rules to the Direct Debit Scheme.

(Please note: to obtain access to the Bacs reference user guides, please click here.)

- Credited in error

If a credit cannot be applied you will need to generate an Automated Return of Unapplied Credit (ARUCS) via the Bacs Payment Services website. For detailed information on the procedures you need to follow, please refer to the Bacs A Services Member and Agency Guide.

(Please note: to obtain access to the Bacs reference user guide, please click here.)

- Overall amount of debit/credit incorrect

Contact STP Bureau direct.

Chapter 3 – Lloyds Bank Contact List

Please note: Lloyds Bank has outsourced 'paper clearings' to iPSL:

iPSL
11A Northfield Drive
Northfield
Milton Keynes
MK15 0DQ

Missing Work – Agency BACS Service Agency Cheque Services	A	Non delivery of any one/all/combination of the following daily deliverables: Paper Debit Clearing Valid (Prime) items Paper Debit Clearing Manual (Reject) items Paper Debit Clearing Listing Paper Credit Clearing Valid (Prime) items Paper Credit Clearing Manual (Reject) items Paper Credit Clearing Listing Bureau Clearing Listing Agency Services Media Phone: Customer Care (Helpdesk) on 01582 646123 / 01582 646124 / 01582 646125
Paper Clearing Accounting Enquiries	B	General Paper Debit or Credit Clearing accounting enquiries (including incorrectly listed items, missing items and items not listed) Lloyds Bank Plc Research & Adjustment IPSL Blaise Pascal House 100 Pavilion Drive Brackmills Industrial Estate Northampton NN4 7YP Phone: Research & Adjustment on 0845 165 0414 Fax – 01604 665050 / 665477
Bureau Clearing Accounting Enquiries	C	Phone: STP Bureau (Formerly Bureau Clearing) Global Payments Reconciliations 5th Floor 2 Brindleyplace Birmingham B1 2AB 0121 625 5924

Cheque and Credit
Slip Approval and
Testing

D

Phone: Cheque and Credit Approval Group on **0151 210 4114**
Cheque and Credit Approval Group
iPSL
1st Floor Operations
Bridle Road
Bootle
Merseyside L30 4AA

Bacs Enquiries

E

Phone: Bacs Unit as follows:
BACSTEL-IP and BACS Referrals on **0870 9025210**
Direct Debits & Correspondence on **0870 9002066**
Lloyds Bank Plc
BACS Unit
PO Box 72
Bailey Drive
Gillingham, Kent
ME8 0LS

R&A Disputes Team

F

Phone: **01604 665474**
Fax: **01604 665421**
R&A Disputes Team
Blaise Pascal House
100 Pavilion Drive
Brackmills Industrial Estate
Northampton
NN4 7YP

iPSL Bulk Centralised
Unpays

G

Phone: **01582 646162**
Fax: **01582 646221**
Bulk Centralised Unpays
iPSL
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Chapter 4 – Example stationery, printouts and forms

On the following pages are examples of stationery referred to in this manual.

Lloyds Bank must vet all forms and stationery, which you use, before you use them. Before you have paying in books, cheque books, or forms printed, please contact the Cheque and Credit Approval Group for help and advice.

If you are opening a new Agency, the Sort Code will not be put in operation until your stationery has been approved by the Cheque and Credit Approval Group.

Examples of stationery for remitting work

Please click on the following hyperlinks for example of stationery:

- [39R – Docket Control Voucher Summary \(Random Credits\)](#)
- [Bulk Batch Ticket](#)
- [46R – Docket Control Voucher Summary \(Debits\)](#)
- [Lloyds Bank STV \(Sub Total Voucher\)](#)
- [11029 – Claim for unpaid](#)
- [11030 – Advice of unpaid item \(only to be used when passing the entry by Bacs\)](#)
- [12363 – Claim for missing unpaid item \(copy acceptable/not acceptable only\)](#)
- [12364 Advice of missing unpaid item \(copy acceptable/not acceptable only\) – \(only to be used when passing the entry by Bacs\)](#)

Examples of stationery for in clearing

- [11023 – Direct Remittance](#)
- [Direct Debit Scheme Refund Request](#)
- [Direct Debit Scheme Indemnity Claim \(please note these should only be used in accordance with the Paying Bank Guide and Rules to the Direct Debit Scheme – submission of paper forms – exceptions process\)](#)
- [Direct Debit Scheme Request for copy of AUDDIS Direct Debit Instruction](#)

Examples of stationery for special procedures

- [12385 Credit clearing adjustment – \(BGC\)](#)
- [12386 Credit clearing adjustment – \(IBD\)](#)
- [12387 Debit clearing adjustment – \(IBD\)](#)
- [12388 Debit clearing adjustment – \(BGC\)](#)
- [Lost Cheque Remittance form – \(CDB301\)](#)

Examples of computer listings

- [Credit Clearing Listing](#)
- [Automated Debit Clearing Listing](#)
- [Bureau Clearing Listing](#)

For more information

 Visit
lloydsbank.com/commercialbanking

 Contact your relationship manager

Please contact us if you'd like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use Text Relay (previously Typetalk).

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