Guidance on ... Direct Debits

- Payments by direct debit from the University's bank account may only be authorised by the Authorised Financial Officer (AFO). See the Financial Regulations for the definition of the AFO.
- Approval will normally be given only if there is no acceptable alternative method of payment to the normal banking transmission methods, and in all instances the organisation requesting payment by direct debit should be asked what alternative payment methods they have for the goods/services being supplied.
- Referral to the flow chart below should be used for any request for payment by direct debit and to the Treasury Management team in Finance Department for further advice as needed.
- Bank mandate forms shall be completed by the Authorised Financial Officer and signed in accordance with the authorised signatory list for the University's bank account.
- Where a vendor may be paid by direct debit for some purchases, and by BACS or Cheque for other purchases, it will be necessary for two vendor master records to exist in the myPurchase and uBASE systems, one which has a payment method of BACS or cheque and one which has a payment method of direct debit. The vendor record to be used when payment is by direct debit will be set up in a separate range of vendor numbers to avoid any confusion.
- Where a purchase is to be paid for by direct debit, it is the responsibility of the Department to ensure that the correct vendor is chosen by the requester in the myPurchase system or the orderer in the uBASE system. If the wrong vendor is chosen it is highly likely that the invoice will be paid twice, once by BACS or cheque and once by direct debit.
- If the vendor is paid twice, the Finance Department will request a refund from the vendor. However, in the meantime, the cost of the overpayment will be borne by the Department concerned.
Direct Debit Acceptance Flow Chart

1. Request for Direct Debit payment method received
   - Is Purchase a one off supply?
     - Yes: Use appropriate non-direct debit payment method, i.e. PO, Purchasing Card (Reference to Financial Regulations)
     - No: Does Supplier offer alternative payment method?
       - Yes: Contact the Treasury Team in Finance for approval
       - No: Is this an ongoing continual, contractual supply?
         - Yes: Are payments to be made on a regular Monthly, or quarterly basis?
           - Yes: Contact the Treasury Team in Finance for approval
           - No: Contact the Payments Team in Finance for assistance/advice.
         - No: Contact the Payments Team in Finance for assistance/advice.