



BACS - Investigate Failed Payment Out

When the Child Maintenance Group (CMG) have paid money out to a client who then contact the maintenance team stating the payment was never received, details will be passed on to the managing exceptions team for investigation.

The reasons for a failed payment out could be:

- Invalid bank details
- A closed bank account
- Incorrect bank details (the payment has been issued to the wrong client or a general member of the public).

This procedure will explain the steps taken by the managing exceptions team to determine why the payment has failed and has not successfully paid out to the client.

Confirm account details



When a call is received in maintenance from a client who explains that they have not received the payment into their bank account, maintenance should contact the managing exception team to check the case. When the case shows that the payment was successfully sent through BACS, you will need to perform some checks to determine why the payment has not been received by the client.



There may be times when direct contact with the dedicated Department for Work and Pensions (DWP) team within Nat West is required. This could be for bank errors, bank reconciliation mismatches, bank statement queries, failed automated credit transfer (ACT) queries and BACS traces. This form of contact is only available to certain nominated people within the team.

For more information refer to [Pretty Good Privacy \(PGP\)](#).

1. When maintenance have confirmed the account details with the client and passed the details to managing exceptions, check the bank details in the 2012 system to determine whether they are correct. From the drop down menu select the **Financial Accounts** tab to view the payment and bank details of the client (sort code, account number). Check that both the account number and sort code are correct.

Account details are correct

2. When the bank account details are correct, determine why the payment has not been issued.
3. Select the **New Trace Template** which is held in your ACT folder and complete the following fields:
 - **User Number**
 - **REM S/C** – The sort code of the Child Maintenance Group (CMG) account that the funds were issued from
 - **REM A/C** – The account number of the CMG account that the funds were issued from
 - **REC S/C** – The sort code of the client account
 - **REC A/C** – The account number of the client account
 - Enter the amount of the payment in the '£' field
 - **PROC DATE** – The processing date which is always the next working day after the funds were sent through BACS
 - **DWP REFERENCE** – A suitable reference number, such as the clients national insurance number (NINO)
4. Attach the trace template to a secure email and send to team DWP Nat West. It generally takes one week for the report to be processed and sent back to CMG.
5. Once you have received a report back from Nat West with the payment details, note the account details, the actual date the payment was processed and the amount of the payment to confirm that the payment was issued correctly.
6.  Call the client to advise that the payment was issued correctly and that they should contact their own bank if they require further assistance.

Account details are incorrect

7. If the details are incorrect, you need to update the client bank details. For more information refer to [Change MOPT - Summary](#).
8. If the account details the payment was sent to are not for a valid bank account, the payment will have failed and returned. The system will have already created an SR for the caseworker to complete. No further action is required by managing exceptions team. For more information refer to [Payments To – Reversal Exceptions](#).
9. When the payment has been issued to an incorrect account a non standard payment may be needed to cover the cash shortfall and pay the correct client. For more information refer to [Payment - Non Standard](#).

[Change MOPT - Summary](#)

[Payment - Non Standard](#)

[Payments To – Reversal Exceptions](#)

[Pretty Good Privacy \(PGP\)](#)

Who will deal with the case if a payment has not been received by the client?

The manage exceptions team will investigate to determine why the payment has failed.

What reasons will stop a payment being received by the client?

Invalid bank details, a closed bank account or incorrect bank details can stop payments successfully paying out to a client.