Department for Work & Pensions   Procedures ▸ BaNCS

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BaNCS

This procedure is provided as background and educational guidance, not as a step by step guide. It will complement available training material. The procedure will give you an overview of the BaNCS core banking system.

BaNCS main functions are to meet payments, collections, accounting and liability management.

Users will have a pre-determined access level, this will determine what actions they are able to perform within the system.

⚠ Errors made within BaNCS have severe implications. BaNCS is Child Maintenance Group (CMG)'s core banking engine and controls all company and client internal accounts being responsible for the movement of money between these accounts. All tasks carried out on this system should be double checked for accuracy before completion.

⚠ Auditing of BaNCS will be carried out periodically without prior warning to ensure fraudulent activities are not being carried out on the system.

ⓘ This procedure uses the terms receiving parent and paying parent.

The receiving parent is the parent who receives or who is expected to receive child maintenance, known as the parent with care (PWC) or person with care (PeWC) on the system and in legislation. The paying parent is the parent who pays or who is expected to pay child maintenance, known as the non resident parent (NRP) on the system and in legislation.

How to access BaNCS

You will access BaNCS via a desktop icon. Access will be linked to your smartcard's single sign on, removing the need for a separate password.

System overview

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Following the application process, client accounts will be created in BaNCS to enable the system to account for all future case transactions

Once the 2012 system has created a maintenance assessment the information is passed on to BaNCS. These then accrue in BaNCS in the liability schedule.

The first accounting entry in BaNCS is when the liability is posted to the paying parent's account. This posting occurs monthly or weekly depending on the collection frequency. At the same time that a posting is made to the paying parent's account an equal and opposite posting is made to the receiving parent's account. The BaNCS entry for paying parent liability is:

- Dr NRP

- Cr PWC

The associated general ledger (GL) entries are:

- Dr NRP liability control

- Cr NRP maintenance raised

- Dr PWC liability raised

- Cr PWC liability control

Liability is posted to paying parent accounts in BaNCS at case level, this means that for paying parents with more than one receiving parent there will be a posting for each receiving parent to the paying parent account.

Cash received from paying parents employers and other sources are recorded and posted in BaNCS.

Cash payments are generated and recorded in BaNCS.

At the end of the day all of the transactions which have occurred that day are collected in a detailed general ledger interface file (GLIF) and posted daily to the Sage GL as a journal. For more information refer to GLIF Posting.

Client level information is available from BaNCS via reports. All reports will be accessed via the data warehouse. For more information refer to MI - Generate Report.

Reports will include:

- Balance by client
- Aged balance by client
- Due type analysis by client
- Account movement by client
- Detailed bank account transaction listings

Transaction level information is available for individual accounts using the enquiry function.
For more information refer to BaNCS Enquiry.

Receipt of payments

All transactions credited into the bank account will be supported by an electronic file.

- Cheques will be posted into BaNCS via a schedule of cheques banked by the third party scanning provider
- Jobcentre Plus (JCP) will send an electronic file containing the details of individual payment amounts. The system will upload this file and read each individual entry
- Non JCP benefit agencies will send a schedule containing the details of individual payment amounts
- The system will identify individual payments from a paying parent, employer or third party on the electronic payment file from HSBC or Nat West, i.e. standing order, BHOCA, faster payment, etc. and assign the amount to the correct paying parent, employer or third party payment from account, according to the reference for the payment
- The system will receive an electronic file of debit and credit card payments from ATOS Worldline and assign to the correct employer, paying parent or third party payment from account.
- Debit and credit card chargebacks are received in a file from Worldpay. A service request (SR) is created and a finance worker manually assigns the chargebacks to the correct account.
  For more information refer to Chargebacks - Debit/Credit Card.
- Where 'payments from' cannot be assigned to a paying parent, third party or employer account they will be assigned to the suspense account
- Direct debit (DD) requests will be sent to BACS before there is a payment due date on the payment schedule for paying parents who pay using DD. Only active DD's will be collected
- Any receipts which cannot be assigned to a client account will be assigned to the suspense account
- DD rejections come from experian payments gateway

Any receipts which do not fall into the above categories will be manually posted via BaNCS link.
For more information refer to BaNCS Journals.

Deduction from earnings order (DEO)

When the schedule held on BaNCS agrees to the money received from the employer the receipt is automatically allocated to the paying parents from whom the employer deducted money. If the receipt and the schedule held on BaNCS do not match a work item is created in the 2012 system.
For more information refer to DEO - Reconcile.

Single and double entry for liability

In a sales ledger the posting of a sales invoice is single entry. This results in the double entry in the GL:

- Dr sales ledger control
- Cr sales

In BaNCS the posting of a liability to a paying parent is single entry. This results in double entry in the GL:

- Dr NRP liability control
- Cr NRP maintenance raised

Single and double entry for cash

BaNCS maintains something like a cash book known as the mirror bank accounts.

When a paying parent gives us money the entries in BaNCS are:

- Dr mirror bank account
- Cr NRP

This results in the following entries in the GL:

- Dr bank control account
- Cr NRP cash control account

Segmental reporting

All client accounts will belong to one of 5 segments:

- GB future scheme
- GB residuary body
- NI futures scheme
- NI residuary body
- Employer

BaNCS - Client Balance Listings

BaNCS Enquiry

Chargebacks - Debit/Credit Card

Cheque - Failed

DEO - Reconcile

GLIF Posting

MI - Generate Report

Post BaNCS Journals

Reconcile BaNCS Mirror Accounts

Reconcile Control Accounts

Validate Client Balance Listings

Can a client pay four weekly under 2012 scheme?

No, the only payment frequencies are calendar monthly and weekly.