

Outsourcing Direct Debit Processing

Chances are you're already running a successful committed giving programme using Direct Debits in your charity: increasing donor loyalty and improving income forecasting. Your monthly activity likely looks something like this basic DD set-up process:

DD SIGN UP

ADVANCE
NOTICE
LETTER

BACS
SUBMISSIONS

AUDDIS
ADDACS
ARUDD
REPORTS

PAYMENTS
BANKED

Seems pretty easy, right? And in the most part it is. You just need to have the proper systems and procedures. But it can be a headache you can do without when you've hundreds of other things to be getting on with, especially if things start to go wrong!

Why outsource?

Outsourcing takes away the worry and risk to you, to the supporter and to your charity. Here's some common areas outsourcing can help you with.

1 In-house training, compliance and business continuity

Keeping you and/or your team up to date with the Bacs requirements for processing, and ensuring there's always someone around on the correct dates to submit the instructions, can be challenging. By outsourcing it's one less thing to think about – you know your Direct Debit supplier will be submitting the claims on your behalf, whatever, and will be totally up to speed with Bacs compliance requirements

2 Updating software

Investing in the Bacs software is an expensive outlay, and you need to make sure it's maintained and regularly upgraded to keep up to date. This is something which would automatically happen with a third party supplier – keeping everything future-proofed and freeing you up to focus on strategy and initiatives.

3 Rising attrition

Keeping the time between sign-up and first payment claim as short as possible helps reduce attrition. Getting your acquisition teams to securely send data to your chosen third-party supplier means that the whole set up and ANL process can be started without any delay, getting to that first claim as soon as possible.

4 Liability

When you outsource to a third party all the risk goes to them. They're liable for missed payments in the unlikely event of their error (e.g. the charity still gets the income) and if something goes wrong, the fault lies with the third party, therefore protecting the reputation of charity.

5 Future Proofed

No matter what changes are made to a charity's infrastructure – by outsourcing this process ensures minimal disruption and cost, keeping consistency and stability within the workplace.

Things to look out for when choosing a Direct Debit processing partner:

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- ▶ Accredited Bacs Bureau. Check out their latest inspection report which tells you how they're rated.
- ▶ Previous experience and client testimonials. Ask to speak to some of their clients to give you the real story.
- ▶ Data compliance. Make sure they have the right compliance credentials to keep your supporter data secure including GDPR processes and ISO certification for information security (ISO 27001).

“We transitioned over our DD processing to Woods Valldata in April 2019. On the whole we had a smooth and clean transition. The relationship with Woods Valldata and The Alzheimer's Society has been long standing and we have a very positive working relationship together. The migration project and now the DD management process is working very well for us. On the whole no issues and I highly recommend working with the team at Woods Valldata.”

Tillat Kadri, Fundraising Database Manager, Alzheimer's Society



ABOUT WOODS VALLDATA

Woods Valldata is passionate about helping you raise more income for your vital work. We believe in what we do and make it our mission to be the best. Our team of 200+ sector specialists help charities raise over £100 million in fundraising income per year supporting them with their raffles, weekly lottery, response handling, fulfilment, digital scanning and direct debit processing. We offer an unparalleled level of service, with the strategic insight to identify opportunities and inform innovation whilst following the highest compliance standards for PCI, ISO and the Gambling Commission.

Whatever you're looking to achieve with your fundraising, with Woods Valldata you're in safe hands.

To talk to us about your individual giving programmes, contact us on charities@woodsvalldata.co.uk