

SmartDebit[®]

Reason Codes Explained



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Bacs Direct Debit reports contain messages which are generated by the bank which holds the account to which you are collecting a payment; for example, you may receive an advice saying that the payer bank account you are trying to collect from has been closed.

SmartDebit will make relevant Bacs reports available upon receipt which can be accessed directly through our secure SmartDebit Admin website.

- AUDDIS: Automated Direct Debit Instruction Service - in response to setting up a new Direct Debit Instruction (DDI)
- ADDACS: Automated Direct Debit Amendment and Cancellation Service - Direct Debits that have been amended or cancelled by the payer
- ARUDD: Automated Return of Unpaid Direct Debits – details any unpaid Direct Debits.

Each report is for a separate notification type and contains a line for each event of that type. The different reports and their reason codes are described in the following pages.

For help and advice

If you have any questions, please view our knowledge base [here](#) or email our Customer Service team today at support@smartdebit.com.

AUDDIS

AUDDIS (Automated Direct Debit Instruction Service) is the Bacs service enabling organisations to set-up new Direct Debit Instructions (DDIs) to their payer's banks electronically.

AUDDIS Reports

Invalid Direct Debit Instructions (DDIs) are returned to Service Users via the bank returned AUDDIS service. These are made available by SmartDebit upon receipt.

AUDDIS Reason Codes and their meanings:

Code	Reason	Circumstances	Special Instructions
1	Instruction cancelled by payer	Payer has instructed paying bank to cancel DDI	Service user must liaise with payer to agree the payment method for collection of any outstanding funds
2	Payer deceased		
3	Account transferred	Account transferred to another bank / building society	First check you have not been notified of the new bank details, if not you must obtain a new DDI from the payer. Collection must be suspended until a new DD set up and advance notice is issued to the payer
5	No account	Account number is not recognised at the paying bank	Service user should check Direct Debit information and/or liaise with payer
6	No Instruction	Does not exist on paying bank's database	Service user should check the DDI and/or liaise with payer
7	DDI amount not zero	Validation has detected field 8 not zero or blank space filled	Service user should correct the record and resubmit
B	Account closed	Payer has closed his account for an unknown reason	If the Direct Debit is to continue the service user must obtain a new DDI for a different/new account
C	Account transferred to a different branch of the bank/building society	New account details supplied to the service user by paying bank	Service user should apply change to data file and continue with Direct Debit collections. A 0C/0N pair must not be sent on receipt of this message
F	Invalid account type	Paying bank does not allow Direct Debits on this type of account	Service user will need to obtain new account details from the payer. The Direct Debit cannot be applied
G	Bank will not accept Direct Debits on account	Paying bank does not allow Direct Debits on this account	Service user must liaise with payer and obtain a new DDI for a different/new account
H	Instruction has expired	Occurs when a service user attempts to convert a DDI which is shown as expired on the paying bank's database	A 0N DDI will be required to re-activate this DDI if collections are to resume. Service users must ensure they have the payer's authorisation to collect under expired Instruction
I	Payer Reference is not unique	Paying bank has matched the DDI to an existing DDI with a similar reference that has more or fewer characters	Service user should allocate a different reference and lodge DDI, again using 0N

K	Instruction cancelled by paying bank	Paying bank has cancelled the DDI	Service user cannot collect via Direct Debit on this account. If Direct Debit is to continue the service user must obtain a new DDI for a new account
L	Incorrect payer's Account Details	Either: <ul style="list-style-type: none"> the sort code / account number has failed the modulus check the sort code does not exist the account number is not all numeric or is all zeros the account type is invalid. 	Service user should undertake sort code validation and modulus checking prior to sending the DDI transactions to BACS or, if already doing this, should ensure that they are using the latest version
M	Transaction Code / User Status incompatible	Transaction codes which are not allowed whilst in this status have been sent	Service user has sent '0S' DDI transactions after being given 'LIVE' status on the BACS master files. Service user should re-submit transactions with ON as the transaction code
N	Transaction disallowed at payer's branch	This code will be returned where paying banks have expressly disallowed the set-up of DDIs at the branch in field 1 of the transaction	Service user should refer back to their payer and obtain a DDI for a different/new account
O	Invalid reference	The reference in field 10 of the DDI record does not comply with the AUDDIS rules	Service user should ensure that references meet the rules of the AUDDIS service
P	Payer's Name not present	Validation has detected field 11 is blank. A payer's name should always be entered	Service user should correct the record and re-submit
Q	Service user's name blank	Validation has detected field 9 is blank. The service user's company or trading name should always be entered	Service user should correct the record and re-submit

ADDACS

ADDACS (Automated Direct Debit Amendment and Cancellation Service) reports detail any Direct Debit Instructions (DDIs) that have been amended and/or cancelled. These reports are made available by SmartDebit upon receipt and it is strongly recommended that the changes are applied immediately to avoid the risk of misdirected or failed collections.

ADDACS Reason Codes and their meanings:

Code	Reason	Circumstances	Special instruction
0	Instruction cancelled - Refer to payer	Paying bank has cancelled Instruction	Service user cannot collect via Direct Debit on this account. If Direct Debit is to continue the service user must obtain a new DDI for a new account
1	Instruction cancelled by payer	Payer has instructed paying bank to cancel DDI	Service user must liaise with the payer to agree the payment method for collection of any outstanding debts
2	Payer deceased		
3	Account transferred to a new bank or building society	Account transferred to a new bank or building society	If both old and new bank details are quoted you will need to amend your records accordingly. AUDDIS service users only – A 0N must be sent to lodge the new instruction. NB – With effect from 1 January 2013 do not send a 0C to the old bank to cancel the DDI. If only the old bank details are quoted first check you have been notified of new account details. If new account details have not been advised you must obtain a new DDI from the payer. Collection must be suspended until a new DDI set up and advance notice issued to the payer.
B	Account closed	Payer has closed their account for an unknown reason	If the Direct Debit is to continue the service user must obtain a new DDI for a different/new account
C	Account transferred to a different branch of bank/building society	New account details supplied to the service user	Service user must apply change to data file and continue with Direct Debit collections. AUDDIS service users only – A 0C/0N pair must not be sent on receipt of this message
D	Advance notice disputed	Payer disputes time, amount or frequency of advance notice	Service user should not collect further Direct Debits until it has resolved the dispute with the payer
E	Instruction amended	Paying bank will advise amendment via ADDACS message	Service user should collect Direct Debits using new details. AUDDIS service users only –A 0C/0N pair must not be sent on receipt of this message
R	Instruction re-instated	Paying bank may re-instate a cancelled DDI up to two months from cancellation	Service user may resume direct debiting under the reinstated Instruction. However, a new DDI must be obtained and lodged if reinstatement is identified after the two month period
Other	Unknown response	Unknown circumstance	

ARUDD

ARUDD (Automated Return of Unpaid Direct Debit) reports detail any Direct Debit not paid by the Paying Bank. A Direct Debit may be returned unpaid for a variety of reasons. These, together with reason codes can be found below.

These reports are generated up to 2 working days after the collection date & are made available by SmartDebit upon receipt.

ARUDD Reason Codes and their meanings:

Code	Reason	Circumstances	Special instruction
0	Refer to payer	A payer's bank is not in a position to pay the Direct Debit; (for some reason other than the exception below). OR The service of a Garnishee Order or Arrestment on the payer's account, his bankruptcy, liquidation or appointment of receiver	Service user may represent up to one month from original processing day – it is recommended that the payer is notified of this 5 working days in advance of the representation. Service user will need to establish from the payer the reason for non-payment and likelihood of payment upon representation.
1	Instruction cancelled	Instruction cancelled by payer or his bank	Service user must liaise with payer to agree the payment method for collection of any outstanding funds
2	Payer deceased		
3	Account transferred	Account transferred to a new bank or building society	First check you have not been notified of the new bank details, if not you must obtain a new DDI from the payer. Collection must be suspended until a new DD set up and advance notice is issued to the payer
4	Advance notice disputed	Payer disputes time, amount or frequency of advance notice and has requested single payment to be countermanded	Service user should not collect further Direct Debits until it has resolved the dispute with the payer
5	No account (OR wrong account type)	Account Number is not recognised at the paying bank	Service user should check DDI information and/or liaise with payer
6	No Instruction	No Instruction held with paying bank	Service user should check DDI information and/or liaise with payer and if appropriate obtain new Instruction
7	Amount differs	Payer states the amount of the Direct Debit differs from the amount in the advance notice to payer	Service user should not collect further Direct Debits until it has resolved the dispute with the payer
8	Amount not yet due	Payer states date of debiting is in advance of the due date specified in the advance notice to the payer. AUDDIS service users only – It is less than 2 working days since the DDI was lodged	Service user should not collect further Direct Debits until it has resolved the dispute with the payer

9	Presentation overdue	Payer states date of presentation is more than 3 working days after due date on or advance notice to payer OR Re-presentation of Unpaid Direct Debit is more than one month from original Direct Debit processing day	Service user must give further advance notice to the payer before Direct Debit is collected
A	Service user differs	Identity of service user differs from DDI	
B	Account closed	Payer has closed their account for an unknown reason	If the Direct Debit is to continue the service user must obtain a new DDI for a different/new account

About SmartDebit

Streamline payment handling, improve your cashflow and increase customer retention with SmartDebit.

We are one of the UK's leading and most trusted Direct Debit bureaux, specialising in timely and efficient payment processing.

We help utilities, insurers, IT providers, schools and colleges, charities, and a range of other subscription businesses get paid the correct amounts – and make Direct Debit as straightforward as it should be.

It's why we're the smart choice for businesses that care about getting payment right.

We are a Bacs approved bureau, ISO 27001:2013 certified, authorised and regulated by the Financial Conduct Authority.

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