



TISA Exchange

Payments by cheque:

Cheque payments continue to cause delays in the transfer process. Whilst several firms have introduced internal changes to move towards electronic payments, TeX are seeing a rise in cases reverting back to cheques.

During a discussion at a Covid Working Group meeting last year, the following reasons were given:

- Some schemes have individual bank accounts for their clients, rather than group bank account. In these instances, cheques are issued, however, the majority are sent via BACS.
- Bank/Building Societies continually request payments in and out via cheque.
- Some organisations with legacy systems/legacy books operate via cheque.
- Strict internal processes are to blame for some firms issuing cheques - if the payee's bank account does not exist within the payer's system (or has not been authorised), then payment can only be made by cheque.

Following this initial review TeX will be undertaking a project to facilitate best practice within the industry as we continue to support the use of electronic payments rather than cheques.

03/03/2022