



DIRECT DEBITS Frequently Asked Questions

How does it work?

Unlike standing orders, direct debits are payments taken by the payee, in this case Colchester U3A, once members have signed a bank mandate to allow them to do so.

The mandate is a simple form to be completed online at this link:

<https://pay.gocardless.com/AL0002DTBR1GQS>

The signup process only takes a few minutes and need only be completed once. From then on annual subscriptions will be automatically taken for the correct amount on the due renewal date.

Apart from basic details such as name, address, email address, the only details needed for the mandate are the member's bank sort code and account number.

Have there been problems?

As at February 2020 over 40% of members have signed up to Direct Debit, and there have been no significant problems. A small number of members have voiced objections, mainly to entering their bank details online – these concerns are addressed under safety and security below.

What is the benefit to members?

Using direct debit to pay bills and subscriptions is very commonplace these days, and most of us find it simple and convenient. Once members have signed up by completing their mandate, U3A membership will be renewed automatically unless and until the member cancels their mandate. Members no longer have the bother of renewing their subscription each year by cheque or bank transfer.

Is Direct Debit safe and secure?

Some members have expressed misgivings about the safety of entering their bank details online. However we are of the opinion that these concerns are largely unfounded for several reasons.

Firstly, as above, these bank details – sort code and account number – are not particularly secret but are in fact widely visible in other ways. For example, they are embossed on many debit cards, they are printed clearly on every cheque, and are openly supplied to the payee when using direct bank or transfer.

We use a trusted third party, GoCardless, to provide safe, secure online systems for collecting and storing bank details and processing payments. GoCardless is used by some 50,000 organisations worldwide, with transaction values of over £10bn p.a. In fact it is quite likely that members are already paying other bills or subscriptions via GoCardless, perhaps without realising it – their clients include trusted household names such as Trip Advisor, The Guardian and The BBC. More at <https://gocardless.com/about/>

No payments will be taken by Colchester U3A until subscription renewal time and members will always be notified in advance of any payments to be taken.

Members are always protected by the [Direct Debit Guarantee Scheme](#) which means that if a payment is taken in error the member is entitled to a full and immediate refund.

Members may cancel their mandate at any time either by letting the [Membership Secretary](#) or [Treasurer](#) know, or through their bank.

Why is the committee so keen on the Direct Debit system?

A significant workload for the Membership Secretary and Treasurer is to administer membership records and take payments for subscriptions. Direct Debit is of huge benefit because once a member has signed their bank mandate payments may be collected automatically – on time – in the future without further action by either member or committee members.

The considerable workload of dealing with cheques, bank transfers and cash, bankings, chasing non-payers, dealing with cheques with the wrong date, or unsigned, or for the wrong amount etc are completely avoided.

Finally, changes in subscription levels may be easily accommodated.

Do members need an email address to pay by direct debit?

Unfortunately the answer is yes. It is necessary both for the mandate authorisation process, and subsequently so that we and GoCardless may contact members, for instance to notify the member of upcoming payments. Regrettably paper bank mandates are not an option; whilst GoCardless systems do provide for them it is at a prohibitive cost in our case.

Members who do not have email addresses but who wish to use Direct Debit have a couple of options they might consider:

1. Using public library internet facilities
2. Using an 'email buddy' who would allow them to use their email address for these purposes – a relative, son or daughter, friend, neighbour etc.

Will there be other ways to pay?

Yes. For members who have no access to a computer and the internet and who cannot arrange for an email buddy, and for members who are not convinced by the reassurances given by the treasurer and the committee, we will be accepting other methods of payment, cheques and bank transfers for the foreseeable future.

Is help available?

Yes, members requiring general advice and help with problems encountered in authorising the bank mandate etc. should contact the Treasurer, Keith Seville, on finance@colchesteru3a.org.uk or at the monthly meetings at Highwoods (for help with the bank mandate, bring bank sort code and account number).

Keith Seville, Treasurer. 14 February 2020