Procedure

Cheque & Credit Clearing Company

SPECIAL PRESENTATIONS
in an ICS environment

March 2018

SPECIAL PRESENTATIONS IN AN ICS ENVIRONMENT
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When cheque clearing has fully migrated from paper to image, the right for a cheque to be specially presented will remain. In a 2-4-6 world, with its lengthy clearing timescales and certainty of fate not happening until the end of the process, a customer's reasons for using the special presentation service are clear.

However, with the advent of cheque imaging, the quicker clearing timescale provides certainty of fate at the end of the next weekday after paying a cheque into a bank account, so customers are much less likely to need a cheque to be specially presented. As a result we expect the volume of cheques being specially presented to be significantly reduced.

Once the industry is fully migrated to imaging, what are the operational implications for participants regarding special presentation?

- It is the C&CCC's expectation that customers are significantly less likely to request to use special presentation following the migration to image processing.

- However, the C&CCC cannot prevent a bank or building society from deciding to post a cheque (or physically present it) to the cheque writer's bank or building society.

- Processing of these specially-presented cheques resides in the competitive space, as cheque services such as these are outside the remit of the Image Clearing System provided by the C&CCC.

- In light of this, and whilst viewed as unlikely to be required, it is recommended that each direct and indirect Image Clearing System participant should maintain an operational process to handle paper items received through the post or physically presented.

- In the event of a cheque being specially presented (once all cheques are cleared via the Image Clearing System) and a pay decision made by the drawer's bank or building society, then the drawer's and payee's banks/building societies should liaise to arrange settlement.

For information about the Image Clearing System click here.