



# Credit Control and Debt Management Policy

<b>Document title:</b>	Credit Control and Debt Management Policy
<b>Audience:</b>	All Staff, Students
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<b>Approved by:</b>	Finance & General Purposes Committee
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<b>Document Owner:</b>	Director of Finance and Procurement
<b>Equality and Impact Assessment:</b>	Yes
<b>Student Friendly Version:</b>	No

## Revision history

Version	Type (new, replacement, revision)	Date	History (reason for changes)
V1.0	New	October 2019	To combine previous three separate Credit Control policies into one composite document and ensure the policy is reflective of the College's actual operating procedures
V1.1	Revision	April 2020	Update changes of job titles and roles and responsibilities
V1.2	Revision	March 2021	Split out policy and procedures
V1.3	Revision	June 2021	<ol style="list-style-type: none"> <li>1. Layout of first page (to include pg 2 information from previous version)</li> <li>2. Monitoring and Review: SLT added</li> <li>3. Roles and Responsibilities removed</li> <li>4. Credit Control Procedure removed from Related Documents</li> </ol>

## Monitoring and review

- This policy will be reviewed by SLT and Finance & General Purposes Committee at least every year.

## Credit Control Policy

### Purpose of the Policy

The aim of the credit control and debt management policy is to ensure that the debt profile of the College is managed effectively, that debt owed to the College is converted into cash in a timely manner thereby maximising cash-flow, and that the potential for bad debt is minimised.

The college will ensure:

- This policy pertains to students on a programme of study that are required to pay tuition fees and other charges for each academic year prior to or within the period of study for that year.
- Fees will be due at the start of each academic year or period of study for the whole programme or course.
- In specific circumstances provision may be available to pay fees in instalments during the academic year.
- Progression through a programme of study may be affected where the student has an obligation to settle fees and this obligation has not been fulfilled.
- It is the responsibility of the student to ensure that the necessary funds are in place to pay their fees.
- Variation of the standard credit terms is at the sole discretion of the Director of Finance and Procurement and will normally only be considered upon receipt of a written request.
- A student can take the option to pay the full fee on enrolment, payable by bank transfer, on-line payment, cheque, cash, or debit/credit card, or agree to pay the fee in several instalments over a period of time using direct debit.
- If the student has arranged for the fee to be paid in whole or in part by a sponsor, it is important that the student provides proof of the sponsorship to the FE Registry Team (FE students) or HE Student Finance (HE Students), so that the sponsor can be invoiced.
- Students returning to the College must have paid all outstanding debts before they can re-register. Any student returning to their next year of study must not have debts outstanding from any previous academic years.
- Failure to return Library books and/or pay the outstanding fines or charges will result in further action to recover the outstanding items/amounts under the policy.
- A student who has been blocked for default in the payment of a tuition fee may be re-admitted to a programme of study where either payment is made in full or sufficient information is provided regarding when and how payment will be made.
- If at the end of a level or a stage of a programme of studies a student is in default of payment of part or all of a relevant tuition fee, whether blocked or not, the College may withdraw the student from the programme of study, that is, may terminate the student's registration.
- Payment terms for commercial debt is 30 days from date of invoice unless specified otherwise, in writing.
- The College reserves the right to take any reasonable steps to recover any outstanding debt in connection with unpaid academic fees including undertaking legal proceedings to recover such

debts. The College reserves the right to seek reimbursement of reasonable costs associated with the recovery of outstanding debts including charging interest.

## **Linked policies**

FE Tuition Fees Policy

HE Tuition Fees Policy

## **Linked procedures**

Procedure for the Collection of Overdue Student and Commercial Debt

Credit Control procedure