



Credit Control Policy and Procedure

Policy Details	
Produced by:	Finance
Date produced:	12 March 2015
Approved by:	SLT
Date approved:	14 April 2015
FOI Class Reference:	Internal Document
Version number:	General 26.1
E&D Impact Assessment carried out by:	ED Group
E&D Group approval date:	November 2016
Review by date:	March 2017

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1 Statement of Intent

The College is a 'not for profit' organisation; however, to maintain the College's liquidity as part of ensuring excellence in delivery of learning, training and services to individuals and employers, fees are required to be recovered in order that the College is able to: at least cover the full costs of delivery; make a contribution to College overheads for the environment in which the activities take place; and sustain investment in resources that are required.

The Credit Control Policy is required where any student has not paid all fees due at the time of enrolment.

2 Introduction and Purpose

To ensure that outstanding fees are recovered in a consistent, fair and transparent way across the College, students at the College and College staff involved in the setting, enrolling and collection of fees will understand the credit control process.

There are 5 basic types of student debt:

- Students engaged on a part payment agreement (PPA) 'postdated'.
- Students not signed up to a postdated payment plan (pending students).
- Sponsored Students.
- 24+/HE Loans Students.
- Withdrawn Students

3 Legal Background or Relevant Legislation

Further and Higher Education Act 1992
Learning and Skills Council Act 2000
Data Protection Act 1998
Computer Misuse Act 1989

4 Related Policies

Financial Regulations
Fees Policy
Admissions Policy
Whistleblowing Policy
Declarations and Registers of Interest

5 Link to Procedure or Guidance

Refer to example standard letters within Appendices 1 -12

5.1 Students Engaged on a Part Payment Agreement

- The minimum value where a part payment agreement can be agreed is £175.
- The postdated card payment schedule or postdated cheque form should be completed at enrolment in line with the current Method of Payment Schedule.
- Any variation to the Method of Payment Schedule requires agreement from the Head of Finance.
- Students are entitled to renegotiate their part payment agreement at any time on the basis they are unable to meet the original agreement financially.
- Renegotiated part payment agreements can only be authorised and signed off by the Finance Team. Evidence of the amendment must be supplied to the student.

- The final instalment of any part payment agreement must be prior to the conclusion of the course.

5.2 Students Engaged on a Part Payment Agreement – Credit Control

- Once a cheque has been returned by the bank, or a card payment declined, immediate contact is made with the student by the Finance Team. First credit control letter is sent – see [Appendix 1](#).
- Second letter is sent after 14 days if there is no contact from the student – see [Appendix 2](#).
- If after 30 days no contact has been made and there has been no attempt to renegotiate the part payment agreement a third reminder letter is sent – see [Appendix 3](#).
- If after 14 days no contact has been made the following process will be implemented:
- The Finance Team will provide to the Vice Principals and Heads of Studies a list of students who have failed to pay the outstanding balance following receipt of the three letters above.
- The curriculum area will organise a meeting with the student regarding the outstanding debt. This will be attended by the Head of Finance and/or Credit Controller.
- If the student fails to attend the meeting the Head of Finance will put them forward to the debt collection agency and/or removal from the course.
- The student will be informed of further measures as detailed above via a fourth reminder letter – see [Appendix 4](#).

Note . Outside of the formal letter process stated above the credit control team continually tries to contact students in order to resolve outstanding debt issues.

5.3 Students Not Signed Up to a Part Payment Agreement (Pending Students)

- No minimum value and only valid where agreement on payment cannot be reached and eligibility for Learner Support Funding has not been confirmed.
- Full enrolment is not achievable and the student is placed into the pending list – category ‘Awaiting Fees’.
- The Finance Team will contact the student within 10 days of being added to the list to confirm a part payment agreement so enrolment can be completed.
- If a part payment agreement cannot be achieved the student will be referred to Student Support if eligible for Learner Support Funding.
- Where a part payment agreement cannot be achieved a final decision on enrolment will be made by the Head of Finance in conjunction with the Director of MIS and Planning.

Note – This process should only be activated on an exceptional basis and is not a default position as it fails to ensure the student is properly enrolled.

Note – The College has a duty of care to ensure that students are not being signed up to levels of debt that they cannot afford. In these cases the decision could/should be taken to not allow the student to enroll.

5.4 Sponsored Students

- Students with a completed and signed sponsor letter will be allowed to fully enroll without the need for any payment.

- Students with a letter on headed paper from a company that clearly identifies their willingness to cover the cost of the course will be allowed to fully enroll without the need for any payment.
- Students without either of the above will not be allowed to enroll until they have the completed paperwork.
- The Finance Team will invoice the sponsor within 4 working days or receipt of the completed sponsor letter/letter on headed paper.

5.5 Sponsored Students – Credit Control

- First letter is sent following failure to pay within the specified 30 days of date of invoice – see [Appendix 5](#).
- Second letter is sent after 14 days if there is no contact from the sponsor – see [Appendix 6](#).
- If after 30 days there is no contact from the sponsor a third reminder letter is sent – see [Appendix 7](#).
- If after 14 days no contact has been made the following process will be implemented:
- The Finance Team will provide to the Vice Principals a list of students whose sponsors have failed to pay the outstanding balance following receipt of the three letters above.
- The Head of Finance will put them forward to the debt collection agency and/or removal from the course.
- The sponsor will be informed of further measures as detailed above via a fourth reminder letter – see [Appendix 8](#).

Note – Outside of the formal letter process stated above the credit control team continually tries to contact sponsors in order to resolve outstanding debt issues including agreement on a specified payment date or payment via instalments.

5.6 24+/HE Loans Students

- 24+ Loans and HE Loans students who are able to provide evidence of progressing a loan will be allowed to fully enroll without the need for any payment.
- Students without evidence as required above will not be allowed to enroll.

Note . It should be made clear to the student and evidenced on the paperwork they sign that failure to complete the loan application will result in the outstanding fees reverting to them for payment.

5.7 24+/HE Loans Students – Credit Control

- First letter is sent within 21 days of enrolment. The emphasis of this letter is to remind the student that their loan application has not been completed – see [Appendix 9](#).
- Second letter is sent after 21 days if there has been no contact from the student – see [Appendix 10](#).
- If after 14 days no contact has been made the following process will be implemented:
- The Finance Team will provide to the Vice Principals and Heads of Studies a list of students who have failed to complete the loan application process.
- The curriculum area will organise a meeting with the student regarding the outstanding debt. This will be attended by the Head of Finance and/or

Senior Finance Assistant.

- Where agreement cannot be achieved a final decision on enrolment will be made by the Head of Finance in conjunction with the Director of MIS and Planning and where relevant the Head of HE & Professional.
- The student will be informed of further measures as detailed above via a third reminder letter – see [Appendix 11](#).

5.8 Withdrawn Students

As per the College enrolment process students who withdraw from their course are still liable (or their sponsor) to pay the fees. In reality it is very difficult to recoup these monies and, from experience, is liable to create complaints about the course, lecturer, College etc.

- Withdrawn students will be sent just one letter and then, where required, will be passed on to the debt collection agency – see [Appendix 12](#).

6 Responsibilities – Nominated Persons

The Head of Finance has the power to delegate this responsibility and to make appropriate decisions on the basis of all procedures within the policy, including the right to refuse students based on due diligence checks and credit history.

7 Monitoring, Review and Evaluation

The College will review this policy every two years or sooner, to take account of any new Government legislation, regulations or best practice documents, to ensure that staff are kept fully up to date with their responsibilities and duties with regard to disciplinary procedures.

8 Communication

This policy is published on the College staff and student intranets and made available on request in a number of formats as required.

Signed

..... Sarah Wright
Principal and CEO

Date

11 May 2015

9 Equality & Diversity Impact Assessment Summary

	AGE	DISABILITY	GENDER Reassignment	MARITAL STATUS	PREGNANCY & MATERNITY	RACE	RELIGION or BELIEF	SEX	SEXUAL ORIENTATION
Which of the following protected characteristics may be affected by this policy or procedure? <i>(please mark the relevant box)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other concerns (e.g. protected groups such as carers, young parents, women during pregnancy, young people living independently)									
Does this policy impact on: <i>(please mark the relevant box)</i>	Staff <input type="checkbox"/>	Students <input checked="" type="checkbox"/>	Parents or Carers <input checked="" type="checkbox"/>	Members of the Public <input checked="" type="checkbox"/>	External providers of services <input type="checkbox"/>				
Does your assessment show that this policy/procedure is affecting relations between different protected characteristics? <i>(please mark the relevant box)</i>	Y <input type="checkbox"/> N <input type="checkbox"/>	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	Y <input type="checkbox"/> N <input type="checkbox"/>			
If yes, can the adverse impact be justified on the grounds of promoting equality of opportunity for one group, or as part of a wider strategy of positive action in relation to particular groups? <i>(please give reasonable justification)</i>									
Consultation What steps have been taken to ensure that the different protected groups have been consulted during the development of this policy/procedure?	<p>The Policy was devised with relevance to AoC and legislative guidance. The following representative groups have been involved with the development and impact assessment of this policy:</p> <ul style="list-style-type: none"> • Finance • MIS • SLT <p>The policy is also published to staff for two weeks to ascertain further feedback before final placement on staff intranet.</p>								
Staff Development and Training Please list any staff development or training issues arising from this assessment.	Enrolment training								
Change/Modification As a result of the Impact Assessment, have any changes/modifications to this policy/procedure been made?	Review Impact Assessment annually against data gathered on protected characteristic groups to determine if a particular group has been affected or other concerns have arisen.								

10 Appendix 1



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**,

RE: Outstanding Fees

I am writing in reference to your enrolment on the **course**. According to our records, you paid a deposit of **£xxx.xx** and agreed to pay the balance in **number** further instalments.

However, your post-dated payment of **£xxx.xx** due to us by **method** on **date** has been declined. I therefore must ask that your payment is forwarded as soon as possible. Any payments in relation to your account should be sent to the Finance department, at the address stated at the top of this letter. However, if you wish to discuss this matter further, please contact us on (01293) 442218.

Yours sincerely,

Sales Ledger Officer

Appendix 2



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**,

RE: Outstanding Fees

I refer to our previous letter to you dated **date**. According to our records, there is still a balance of **£xxx.xx** outstanding on your account, which represents outstanding course fees for Academic Year **xxxx/xx**.

This matter must now be resolved as a matter of urgency. Any payments in relation to your account should be sent to the Finance department, at the address stated at the top of this letter.

Please contact us on (01293) 442218 if you have any queries.

Yours sincerely,

Sales Ledger Officer

Appendix 3



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear Name,

RE: Outstanding Fees

I am writing in reference to two previous letters sent to you and several attempts to contact you. Despite the above, there is still a balance of £xxx.xx showing on your account.

The relevant Head of Department within the College has been informed of this issue and it has been agreed that unless full payment is made, you will be requested to attend a meeting regarding the outstanding debt.

This matter must now be resolved as a matter of urgency. Any payments in relation to your account should be sent to the Finance department, at the address stated at the top of this letter.

Please contact us on (01293) 442218 if you have any queries

Yours sincerely,

Senior Finance Assistant
(01293) 442267

Appendix 4



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**,

RE: FINAL DEMAND

I am writing in reference to several attempts to contact you regarding your outstanding balance. There remains a balance of **£xxx.xx** showing on your account.

We have no alternative but to now state that if full payment is not forwarded to this office within the next **seven days**, we will be forced to take further action against you. This can include referral of your debt to a debt collection agency and exclusion from your course.

Please contact us on (01293) 442218 immediately to resolve this issue.

Yours sincerely,

Head of Finance
(01293) 442278

Appendix 5



CENTRAL SUSSEX COLLEGE

Date
Name
Attn: Accounts Payable
Address
Address
Address
Post Code

Dear Sir/Madam,

I refer to the following invoice(s), which are now overdue for payment.

Please send settlement as soon as possible.

Invoice Number/s: xxxxxxxx
Date of Invoice/s: xx/xx/xxxx
Amount Outstanding: £xxx.xx

Yours faithfully,

Sales Ledger Officer
01293 442218

Appendix 6



CENTRAL SUSSEX COLLEGE

Date
Name
Attn: Accounts Payable
Address
Address
Address
Post Code

Dear Sir/Madam,

Reference - Overdue Account

I am writing with reference to the fact that your account is overdue.

I should be most grateful if you would please send me your remittance by return of post. Otherwise, please advise me as to your reason for delayed settlement of the account.

I look forward to hearing from you.

Invoice Number/s: xxxxxxxx
Date of Invoice/s: xx/xx/xxxx
Amount Outstanding: £xxx.xx

Yours faithfully,

Sales Ledger Officer
01293 442218

Appendix 7



CENTRAL SUSSEX COLLEGE

Date

PRIVATE & CONFIDENTIAL

Name

Attn: Accounts Payable

Address

Address

Address

Post Code

FINAL REMINDER

Dear Sir/Madam,

I am writing with regard to your outstanding account, which is now considerably overdue for payment.

We have no alternative but to now state that if full payment is not received in this office within the next seven days, we will be forced to take further action against you. This can include referral of your debt to a debt collection agency and exclusion of the student(s) from their course.

Please do not ignore this urgent matter.

Should you need to discuss your outstanding debt, please contact the Finance Department on 01293 442218.

Yours faithfully,

Sales Ledger Officer
01293 442218

Appendix 8



CENTRAL SUSSEX COLLEGE

Date

PRIVATE & CONFIDENTIAL

Name

Attn: Accounts Payable

Address

Address

Address

Post Code

NOTIFICATION

Dear Sir/Madam,

According to our records, your account is still outstanding despite previous letters requesting settlement.

The amount/sum outstanding and payable by you is £xxx.xx

Invoice Number(s): xxxxxxxx

Invoice Date(s): xx/xx/xxxx

This debt has now been passed on to a specialist debt collection agency and the student(s) could be excluded from their course.

Please do not ignore this urgent matter.

Please contact the Finance Department on 01293 442218.

Yours faithfully,

Head of Finance

Appendix 9



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**,

24+ Advanced Learning Loan or HE Learning Loan

I am writing in reference to your attendance on course. According to our records you applied for a 24+ Advanced Learning Loan/HE Learning Loan to pay for your tuition fees. As at today's date, your loan status is still showing as "loan portal status".

Failure to either finalise your loan or pay the fees yourself could result in you being excluded from the College and liable for the cost of your course.

Please contact me as a matter of urgency on 01293 442249 in order to resolve this issue.

Yours sincerely,

Senior Finance Assistant

Appendix 10



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**,

24+ Advanced Learning Loan or HE Learning Loan

I refer to our previous letter to you dated date. According to our records you applied for a 24+ Advanced Learning Loan/HE Learning Loan to pay for your tuition fees. As at today's date, your loan status is still showing as "loan portal status" and therefore has not been approved.

Failure to either finalise your loan or pay the fees yourself could result in you being excluded from the College and liable for the cost of your course.

Please contact me as a matter of urgency on 01293 442249 in order to resolve this issue.

Please do not ignore this urgent matter.

Yours sincerely,

Senior Finance Assistant

Appendix 11



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

NOTIFICATION

Dear **Name**,

According to our records, as at today's date, your loan status is still showing as "loan portal status" and therefore has not been approved.

The College will now transfer the liability for these costs to you as the student. The amount/sum outstanding and payable by you is **£xxx.xx**

The College refers the right to pass this debt on to a specialist debt collection agency and you could be excluded from your course.

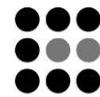
Please contact me as a matter of urgency on 01293 442249 in order to resolve this issue.

Please do not ignore this urgent matter.

Yours faithfully,

Head of Finance

Appendix 12



CENTRAL SUSSEX COLLEGE

Date
Name
Address
Address
Address
Post Code

Dear **Name**.

RE: Outstanding Fees

According to our records, there is a balance of **£xxx.xx** showing against your account. Despite your withdrawal from the College these fees remain outstanding.

We have no alternative but to now state that if full payment is not forwarded to this office by **Day Date Month** Year at the very latest, your outstanding balance will be passed on to a specialist debt collection agency.

If you have any further queries, please contact me on (01293) 442218.

Yours sincerely,

Senior Finance Assistant