

Debt Management Policy 2021-22

POLICY SUMMARY

This policy specifically covers the collection of fees and charges payable to the University by current and former students for tuition, accommodation and other miscellaneous services; it also includes the procedures undertaken to manage this process.

Finance staff are responsible for the implementation of the debt management procedures and all University staff are expected to be aware of this policy to ensure maximum effectiveness.

1.0 INTRODUCTION

- 1.1 In applying the policy, the University will at all times seek to be understanding of individual students' financial circumstances. Any financial difficulties being experienced must be highlighted as early as possible to the University Finance Department either in writing or by making an appointment to see a Finance team member at Firstpoint. Action to enforce settlement of debt for outstanding fees and charges will be taken against all current and former students who have failed to discuss with the University a solution to settle any outstanding debt, or who have failed to honour agreements to pay.
- 1.2 Students experiencing difficulties in paying any fees and charges should seek help at the earliest opportunity through:
 - a) Making contact with the Finance Department 01905 542890 or creditcontrol@worc.ac.uk
 - b) Contacting Firstpoint to arrange an appointment with a Student Money Advisor - 01905 542551 or firstpoint@worc.ac.uk
 - c) Contacting the Students' Union's independent help and advice service 01905 543210 or suadvice@worc.ac.uk

DEBT MANAGEMENT PROCEDURES

If any student falls into arrears with any fees or charges, the University will take steps to recover the debt in accordance with the relevant funding category below:

2.0 TUITION FEES – PAID BY STUDENT FINANCE

- 2.1 If a student has chosen to apply for funding for tuition fees for the current academic year via Student Finance they must supply a Student Support Number and payment schedule to the University. If they have applied for funding but the University has not received confirmation that the application has been approved, they will still be allowed to register for the current academic year but will be advised that payment will be required directly from them if they fail to receive funding .

- 2.2 If the University has not received confirmation by **30 November** that the student's fees will be paid by Student Finance, payment of the tuition fees will become the student's responsibility and payment must be made via bank transfer to the University. Non-payment will result in withdrawal proceedings. **The student will be liable for any other associated costs over and above the debt, including any administration costs incurred by the University and any third party costs including commission, interest and court costs.**
- 2.3 If a student has commenced payments directly to the University and receives notification of funding from Student Finance at a later date, then any relevant refund will be made.

Summary of procedure for students applying for student finance

Date	Method	Semester 1 starter
October / November	Email	Two reminders issued to students to advise the following due to lack of SSN: <ul style="list-style-type: none"> • IT to be blocked from beginning of November • Payment due on 10 December directly from student.
Mid December	Letter & Email	Withdrawal of students without Student Finance funding and who have failed to make the 1 st self funding instalment.
January	Letter & Email	Advise of pending legal action and referral of debt

Date	Method	Semester 2 starter
February	Email	Two reminders issued to students to advise the following due to lack of SSN: <ul style="list-style-type: none"> • IT to be blocked from beginning of March • Payment due on 10 April directly from student
Mid April	Letter & Email	Withdrawal of students without Student Finance funding and who have failed to make the 1 st self funding instalment.
May	Letter & Email	Advise of pending legal action and referral of debt

3.0 TUITION FEES – PAID DIRECTLY BY THE STUDENT

- 3.1 Finance staff will issue a reminder (Day 1) to the student advising that they have missed a payment due date and that the overdue amount needs to be paid within 7 calendar days. The student may either make the payment for the overdue amount, or it may be possible to agree a payment plan to re-schedule the remaining amounts due.
- 3.2 If the overdue amount still remains outstanding on Day 7 the Finance Department will arrange for the student's access to IT facilities to be withdrawn. Access will be reinstated once the overdue amount has been paid, or a payment plan has been agreed to re-schedule the remaining amounts due.
- 3.3 If after a further 7 calendar days the debt is not clear the Finance Department will send a second reminder (Day 14) to the student informing them of imminent withdrawal proceedings.
- 3.4 If the student fails to pay within a further 7 calendar days and the debt still remains outstanding the Finance Department will issue the Withdrawal Notice (Day 21) giving 30 days before the student is deemed withdrawn. 'Deemed withdrawn' means that the student will be permanently removed from their studies at the University.
- 3.5 After the 30 days withdrawal notification has passed and there is still no response from the student the student is officially withdrawn and the Finance Department will issue a fourth reminder (Day 51) to the student. The student will be referred to the University's debt collectors, which may lead to legal action being taken against them. Such action may lead to a County Court Judgment being registered, and Bailiffs being asked to seize property. This may also affect a student's credit rating and the student may find it difficult to gain credit for six years. **The student will be liable for any other associated costs over and above the debt including any administration costs incurred by the University and any third party costs including commission, interest and court costs.**
- 3.6 Students in their final year must make full settlement of tuition fees to the University by 31 May. Students who fail to do so will not be eligible to attend for presentation of their award, nor will they be eligible to receive their degree certificate or a transcript of studies.

Summary of procedure for self funded students

Day 1 overdue	Reminder issued advising overdue and ICT removal within 7 calendar days if payment not received
Day 7 overdue	IT removed
Day 14 overdue	Reminder issued warning of imminent withdrawal action
Day 21 overdue	Withdrawal notice issued
Day 51 overdue	Student withdrawn and Letter issued to advise of pending legal action and referral of debt

4.0 ACCOMMODATION FEES

- 4.1 Finance staff will issue a reminder (Day 1) to the student advising that they have missed a payment due date and that the student is now in breach of their student residential licence agreement and that the amount needs to be paid within 7 calendar days. The student may either make the payment for the overdue amount, or it may be possible to agree a payment plan to re-schedule the remaining amounts due.
- 4.2 If the amount still remains outstanding after 7 calendar days the Finance Department will send a second reminder (Day 7) to the student advising them that access to accommodation may be restricted.
- 4.3 If no payment is received after a further 7 calendar days the University will restrict access and inform the student by email and letter (Day 14).
- 4.4 If there is still no response after a further 7 calendar days, the student will be issued with a compulsory meeting request (Day 21). The student is notified that they may be asked to leave their accommodation and that legal action may be taken against them.
- 4.5 If there is still no response after a further 7 calendar days (Day 28) a Notice to Vacate will be issued by the Residential Services Team giving the student 28 calendar days to leave their accommodation.
- 4.6 If after Eviction there is still no response the Finance Department will issue a further reminder on Day 60 and the student will be referred to the University's debt collectors, which may lead to legal action being taken against them. Such action may lead to a County Court Judgment being registered, and Bailiffs being asked to seize property. This may also affect a student's credit rating and the student may find it difficult to gain credit for six years. **The student will be liable for any other associated costs over and above the debt including any administration costs incurred by the University and any third party costs including commission, interest and court costs.**

Day 1 overdue	Reminder issued advising 7 calendar days to pay
Day 7 overdue	Reminder issued to student advising of possible restricted access to accommodation
Day 14 overdue	Letter & email sent advising access to accommodation removed
Day 21 overdue	Letter for compulsory meeting with Residential Services
Day 28 overdue	Notice to vacate issued
Day 60 overdue	Letter issued to advise of pending legal action and referral of debt

5.0 OTHER FEES AND CHARGES

- 5.1 Payments for the use of University facilities or provision of resources are due for payment within 30 days of the invoice date.
- 5.2 The University reserves the right to levy a charge of £50 for the non-payment of debt, where students have failed to provide prior notification to the Finance Department.

6.0 PAYMENTS ON ACCOUNT

- 6.1 If the student has a debt to the University and makes a payment on account this will be allocated to any additional charges first and then to the oldest debt, unless advised otherwise by the Finance Department.

7.0 EXCEPTIONAL FEE PAYMENT ARRANGEMENTS

- 7.1 The Finance Department will consider individual application from students for exceptional fee payments arrangements based upon compelling extenuating circumstances or hardship. Please note that if there is a default on any payments in an agreed payment plan then the full balance will become immediately due.

8.0 DEFAULT OF AN INSTALMENT PLAN

- 8.1 If payments have been scheduled to be made Recurring Card Payment (or any other instalment plan) and an instalment is missed, the full debt will become due immediately.

9.0 OUTSTANDING DEBT

- 9.1 If a student has an outstanding tuition fee debt with the University they will be prohibited from registering for the next year of study.

- 9.2 Where a student has any other outstanding charge owed to the University and has failed to make an appropriate payment arrangement by the end of the current academic year, registration will be suspended, until such time as they have contacted the Finance Department and a mutually suitable payment arrangement has been agreed.

- 9.3 If a payment arrangement for previous debt is defaulted on then legal action will be taken immediately. This will affect the student's credit rating and may result in additional charges and costs.

- 9.4 Students with ongoing legal action may be declined a place to study at the University.

- 9.5 The University is likely to refuse an application for University Accommodation from a returning student if they have a poor payment record for accommodation fees. We reserve the right to confirm poor payment records to future landlords if references are requested which may result in difficulties in obtaining further accommodation.

- 9.6 Students who wish to return to study following payment arrears will be required to pay in full for fees at registration.**

10.0 FORMER STUDENTS

- 10.1 If a student withdraws or leaves their studies with debt owing to the University the Finance Department will continue to pursue recovery of the debt. If the former student fails to make arrangements to settle the outstanding amounts, they will be referred to the University's debt collection agency for further action up to and including court action. The student may then be liable for any other associated costs over and above the debt including interest, court costs and administration costs.

11.0 REFUNDS

11.1 If a student believes that they are eligible for a refund, they should put a request in writing to creditcontrol@worc.ac.uk. The University reserves the right to charge an administration fee when processing refunds.

12.0 COMPLAINTS

12.1 If a student is dissatisfied regarding a decision concerning payment of fees or any other debt with the University, they should contact Credit Control in writing or by email at creditcontrol@worc.ac.uk. If a student remains dissatisfied, they should follow the University's complaints procedure.

13.0 CONTACTS

Email	Phone	Contact Type
creditcontrol@worc.ac.uk	01905 542891/ 524892	Payments
salesledger@worc.ac.uk	01905 542893	Invoicing / charges
firstpoint@worc.ac.uk	01905 542551	Queries
suadvice@worc.ac.uk	01905 543210	Students' Union for independent advice and support

Equality Impact Assessment (Equality Analysis) completed	01/08/20 (Revenue & Collections Manager)
Reviewing Committee	Fees, Bursaries and Scholarship Committee
Approval Authority	Director of Finance and Resources
Date of Commencement	01/08/2021
Amendment Dates	
Date for Next Review	01/08/2022
Related Policies, Procedures, Guidance, Forms or Templates	Tuition Fees Policy Terms and Conditions
Policies/Rules Superseded by this Policy	