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1. **General Introduction**

Effective credit control improves the timely receipt of cash, essential to ensure the long term operation of the University and minimises the risk to the University of bad debt. It is vital that all members of staff are aware of the importance of cash management and fully co-operate with Finance staff who manage the administrative process.

1.1 **Payment Methods**

The University of Kent accepts the following payment methods:

- Credit Card
- Debit Card
- Flywire payments
- Student Loan Company
- US Federal Loans
- Web Payments
- Western Union/Convera Payments (through Global Pay for Students portal)
- Bank Transfer

The University is a cashless campus and cash is not accepted. Personal cheques for student debtors are not accepted

Payments should be made in sterling, or in the currency invoiced, if different. Any differences in the conversion of currencies into sterling will be the responsibility of the payer, together with any bank charges levied.

2 **General Debtors**

2.1 **New Accounts**

- 2.1.1 Prior to submission of a new customer account request the School/Department must contact the Credit Control Team to ensure the customer does not already exist on the system and to ascertain if credit checks are required. This should take place before contracts are signed and work is undertaken.

2.1.2 If any part of the credit application process is incomplete the credit authorisation form will be returned to the originating School/Department for correction and re-submission (the account will not be set up until all relevant documents have been correctly submitted). Once all the relevant documentation has been completed correctly and received in Finance this will then form the basis of the credit checks carried out within the Department. Finance staff will provide a credit decision based on evidence obtained within 5 working days of receipt of the completed documentation.

2.2 Invoicing

2.2.1 Sales invoices should not be raised until the work contracted has been completed, unless the contract allows otherwise.

2.2.2 The Accounts Receivable Team are responsible for raising Sales invoices and requests should be made to finaccountsreceivable@kent.ac.uk.

2.2.3 Any invoice that has been raised without compliance to the University's accounts process and remains unpaid after it becomes 180 days overdue will be charged back to the School/Department that raised the original invoice.

2.3 Terms of Trade

2.3.1 The University's standard payment term is that settlement is due on or before 30 days after invoice date. Exceptions to this must be agreed in writing in advance with the Head of Student Financial Services.

2.3.2 The Credit Control Team chase debts on behalf of the University with reference to the normal collection and follow up cycle which prompts controllers to phone and write to customers in line with predetermined credit timetables. Debts in relation to research projects are initially followed up by the Research and Innovation Finance Team before being passed over to the Credit Control Team.

2.3.3 Sending reminders to commercial debtors is the sole responsibility of the Credit Control Team within the Finance Department. This will consist of a time defined dunning process and responses from the individual debtor. The Research and Innovation Finance Team send reminders to debtors in relation to research projects.

2.3.4 In exceptional circumstances individual arrangements for repayment of debt might be allowed. This must be agreed in writing with the Income Reporting and Collections Manager.

2.3.5 The University reserves the right to pass details of any unpaid account to a third party agency to pursue the collection of the outstanding balance. This action may include credit checks and further legal collection processes.

3. **Research Debtors**

- 3.1 There are exceptions to the above rules in respect of research projects. If a new project is identified by Research Services and a contract/grant is put in place then all the paperwork is passed to the Research and Innovation Finance Team for correct treatment in the accounting system.
- 3.2 The nature of some of the contracts relating to research may result in the agreement of payment terms imposed by the other party. In these situations the terms of the contract will lay down the collection timetables depending on the project and sponsor.
- 3.3 All research related overdue accounts must in the first instance be reviewed by the Research and Innovation Finance Team. These debts will then be followed up by the Credit Control Team in line with any recommendations received from the Research and Innovation Finance Team.
- 3.4 The University reserves the right to pass details of any unpaid accounts to a third party agency to pursue the collection of the outstanding balance. This action may include credit checks and further legal collection processes.
- 3.5 Research debt that remains unpaid due to:
- being invoiced without due regard to contractual obligations
 - account considered uncollectable

will be cancelled and charged back to the original project code.

4. **Student Debtors**

4.1 **Tuition Fees**

- 4.1.1 For individual students this procedure details the arrangements for the payment of fees and the sanctions, which may be applied in the event of non-payment of fees by the due date. This procedure is designed to ensure that all students are treated in a fair and equitable manner with respect to the payment of fees.
- 4.1.2 This procedure applies to all students – including part-time, full-time, undergraduate, postgraduate, home, EU and overseas students, attending any campus.
- 4.1.3 Students are defined as persons registered or enrolled at the University to follow a programme of study, which may or may not lead to an award or qualification. If a student leaves the University with outstanding debts, the University will pursue payment of the outstanding debt.
- 4.1.4 Students are responsible for paying all fees incurred whilst studying at the University on a timely basis. Where a sponsor has agreed to pay on behalf of a

student, the student remains responsible for the debt until it has been discharged.

4.1.5 Non payment of tuition fees will result in action to recover the debt. This can include de-registration, prevention of re-registration in successive years, non-admittance to their degree and prevention of attendance to their graduation ceremony. Further detail is at section 4.4.

4.1.6 The University reserves the right to pass details of any unpaid account to a third party agency to pursue the collection of the outstanding balance. This action may include credit checks and further legal collection processes.

4.2 Payment of Tuition Fees

4.2.1 Payment of tuition fees is expected as follows:

- 1) In full by methods detailed in section 1.1, on or before Registration.
- 2) By agreement with the Income Office in two equal instalments, the first on or before Registration and the second on or before the first day of December. For students not commencing their course in September the second instalment is due 60 days after their registration date.

4.3 Invoicing

4.3.1 All invoicing of student tuition fees for courses administered by Canterbury and Medway campuses will be processed by the Invoicing and Accounts Receivable Team.

4.3.2 Tuition fees for students attending the University of Kent at Brussels will be processed by the Invoicing and Accounts Receivable Team in Euros.

4.4 Tuition Fee Debts

4.4.1 Once a tuition fee invoice has been raised the collection of the debt becomes the responsibility of the Income Office, who will provide appropriate credit control services.

4.4.2 Late payment of tuition fees older than 1 month will incur a 1.5% charge on the outstanding fees termly, until the balance is paid in full.

4.4.3 For students experiencing difficulty in making payment assistance can be sought at the university in the following ways:

- Kent Union's Advice Team can provide financial advice and counselling to students with difficulties.
- the Income Office staff are available to speak to regarding options available to pay including instalment plans where appropriate. They must

be informed of any difficulties in payment and any involvement of other areas of assistance such as sponsors or scholarships.

- 4.4.4 Letters and statements will be emailed directly to students in respect of outstanding balances monthly.
- 4.4.5 Non-payment of tuition fees may result in students being de-registered. The de-registration process is performed:
- on the fourth Friday in the Autumn Term, all students who have not resolved their financial obligations with the University will be deregistered.
 - on the last day of term in the Autumn term all students who have not paid their second instalment of fees will be deregistered.
 - for non-September starters, the de-registration process is performed in the same timeframe given above, adjusted for the timing of the commencement of the course.
- 4.4.6 A student who has been de-registered will be deemed withdrawn without any further opportunity to study, unless permitted to intermit by the School, and return at a later date. The deregistered student will have no access to University resources including accommodation, IT and library facilities. Any examinations that have been registered will be cancelled. Any tuition fees falling due up to the date of de-registration will be applied and pursued in accordance with the University's tuition fees charging and refund procedure.
- 4.4.7 Any student receiving a notice of deregistration can appeal within 7 days by letter/email to the Head of Student Financial Services, detailing how the situation has arisen and the proposed steps to resolve this.
- 4.4.8 Students with tuition fee debts at the end of the Summer Term will not receive any official notification of their results. Where tuition fees remain unpaid a student will not be able to re-register for the next academic session.
- 4.4.9 No person eligible for the award of a degree of the University shall be admitted to the degree or to attend graduation unless they shall first have paid all academic related University fees. The cut off date for the payment of fees is advertised in literature circulated by the Congregations Office, this date is not set by the Income Office.
- 4.4.10 Students sponsored on a Student visa (previously Tier 4) who are de-registered will be notified to the Home Office as the student will be deemed to have defaulted on their Student visa conditions and their Student visa sponsorship will be withdrawn.

4.5 Sponsors and Student Loan Company sponsored students

4.5.1 Some students have agreements with a sponsor to pay their tuition fees, for example an employer, company, Student Loan Company or a formal scholarship scheme. In the event that a sponsor defaults on payment, the responsibility of payment will be transferred to the student. If the student does not arrange payment then the Income Office will treat the student as a debtor and normal procedures will be followed to collect the debt.

4.6 Withdrawal/Intermission of Studies

4.6.1 In the event of a student withdrawing/intermitting from a programme of study, the date of withdrawal will be the date from which the student formally advises the University in writing that they are no longer attending their course of study. This date MUST be confirmed and approved in writing by the relevant School to the Invoicing and Accounts Receivable Team and the Income Office.

4.6.2 The first two weeks of the Autumn Term is considered as the “settling-in period” for new students only (year 1 of their course) and any student withdrawing within this period will not be charged tuition fees.

4.6.3 The calculation for any reduction in tuition and related fees is based on the current details at <https://www.kent.ac.uk/finance-student/student-finance-guide/refunds.html>.

4.7 Accommodation (for accommodation agreements with the University (excludes Pier Quays at Medway))

4.7.1 Payment of Accommodation Fees

Payment of accommodation fees is expected as follows:

- 1) In full, by methods detailed in section 1.1, on or before Registration.
- 2) Undergraduates: By termly instalments, on the first day of each term, in line with the amounts detailed in the Accommodation Agreement, issued by the Accommodation Office.
- 3) Postgraduates: By quarterly instalments, on the first day of each quarter in line with the amounts detailed in the Accommodation Agreement, issued by the Accommodation Office.

4.8 Invoicing

4.8.1 When a student signs up for on campus accommodation, an Accommodation Agreement is produced detailing the rent amount. This will represent the invoice for the year. Due dates can be found at <https://student.kent.ac.uk/support/accommodation-fees>

4.8.2 The Accommodation Office will pass over all details of the student's accommodation charges to the accounting system daily. These details will be visible on the student accounts in the accounting system.

4.9 **Accommodation Debts (for accommodation agreements with the University (excludes Pier Quays at Medway))**

4.9.1 The collection of the debt is the responsibility of the Income Office who will provide appropriate credit control services. For students residing in Pier Quays accommodation near the Medway Campus the ownership, invoicing and debt collection of all sums due is the responsibility of a third party- Unite Students.

4.9.2 For students experiencing difficulty on making payment assistance can be sought at the University:

- Kent Union's Advice Team can provide financial advice and counselling to students with difficulties.
- The Income Office staff are available to speak to regarding options available including instalment plans where appropriate. They must be informed of any difficulties in payment and any involvement of other areas of assistance.

4.9.3 Letters and statements will be emailed direct to students in respect of outstanding balances.

4.9.4 Late payment of accommodation fees older than 1 month will incur 1.5% late payment charge termly on the outstanding fees until the balance is paid in full.

4.9.5 Students who remain in arrears beyond the second week of each term will receive a series of letters to remind them to pay and may also receive a visit to their accommodation by a University member of staff to discuss any arrears.

4.9.6 In week 6 of each term the following actions may be commenced for all students in arrears:

- Eviction Action where payment received is less than 25% of the termly rental receivable – details supplied to solicitor to commence eviction.
- Court action where payments received are less than 60% of the termly rental receivable, details are forwarded to Credit Control to commence the application for a County Court Judgment to be placed against the student.
- Where students are sponsored on a Student visa (previously Tier 4) and payments are less than 60% of the termly charge, the student will be

withdrawn from the University and their Student visa sponsorship will be withdrawn.

4.9.7 A student who remains in debt and is evicted or has a County Court Judgement placed on them may still continue to be a student of the University if they have fully paid or are sponsored for their tuition fees. They will not, however, be entitled to University accommodation at any future point of their studies. This would also include further studies that they may participate in at a later stage (i.e. postgraduate studies).

The Exception for this is where students are Student visa holders (previously Tier 4) and payments are less than 60% of the termly charge, the student will be withdrawn from the University and their Student visa sponsorship will be withdrawn.

4.9.8 Final year students with accommodation debt and / or outstanding court fees will be permitted to receive official notification of their results. However the student will not be permitted to graduate in person and will receive their graduation in absentia. The cut off date for the payment of fees is advertised in literature circulated by the Congregations Office, this date is not set by the Income Office.

4.9.9 The University reserves the right to pass details of any unpaid account to a third party agency to pursue the collection of the outstanding balance. This action may include credit checks and further legal collection processes.

4.10 **Sundry Charges**

4.10.1 Other, sundry charges may be applied to the student account such as:

- Disciplinary fines
- Library charges
- Orientation fees
- Parking charges
- Resit fees
- Other notified charges that are appropriate to apply to the student account

4.10.2 Payment for sundry charges is expected immediately, or in line with the agreed repayment date, in the case of Emergency Loans.

4.10.3 Late payment of these fees older than 1 month will incur 1.5% charge on the outstanding fees termly , until the balance is paid in full.

4.10.4 Letters and statements will be sent or emailed direct to students in respect of outstanding balances in the first week of each month.

4.10.5 Final year students with such sundry charge debts will be permitted to receive official notification of their results, however the student will not be permitted to graduate in person and will receive their graduation in absentia. The cut off date for the payment of fees is advertised in literature circulated by the Congregations Office, this date is not set by the Income Office.

5. **Former Student Debtors**

5.1.1 The University will pursue all former students for the complete settlement of any outstanding amounts due. All debt recovery costs will be applied to the student account.

5.1.2 The University reserves the right to pass details of any unpaid account to a third party agency to pursue the collection of the outstanding balance. This action may include credit checks and further legal collection processes.

5.1.3 The University will adhere to Government legislation and guidance from the Financial Conduct Authority on instalment credit agreements (payment plans). Where a payment plan exceeds 12 instalments or 12 months a credit agreement will be put in place between the University and the former student.

6. **Collection Agencies**

6.1 As part of our rigorous procedures we engage specialist debt collection agencies to pursue debts on our behalf. The University reserves the right to pass matters into their hands when debts are of a certain age, or amount, or level of complexity, and all other issues have been taken into account as determined by this paper. Their remit is to use the legal system to contact debtors and pursue enforcement, including tracing and credit check processes.

