



Further Education and Other Debt

Credit Control and Debt Management SOP

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2025/26 ONWARDS

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Responsible Owner:
Head of Finance

Summary of Contents

This SOP sets out procedures to ensure that the further education and other debt profile of the College is managed effectively, that debt owed to the College is paid in a timely manner, that debt payment is maximised and any potential bad debt is minimised.

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1.0 Change History

Changes to this SOP are documented in Appendix 1 of this document. When reading electronic copies of this document, [you can click here to view the change history](#).

2.0 Background

The aim of the Further Education and Other Debt Credit Control and Debt Management Procedure is to ensure that the debt profile of the College is managed effectively, that debt owed to the College is paid in a timely manner, that debt payment is maximised, and any potential bad debt is minimised.

3.0 Scope

This procedure relates to all Further Education fees, charges, and commercial invoices payable to the College by external organisations and students.

The procedure is designed to ensure that all students and customers are treated in a fair and equitable manner with respect to the payment of fees and invoices.

The SOP applies to all Governors, Staff and Students (including full-time, part-time, home, EU, and overseas students). "Students" are defined as persons registered or enrolled at the College to follow a programme of study, which may or may not lead to an award or qualification.

4.0 Fees, Charges and Commercial Invoicing

4.1 Tuition Fees and Charges

- 4.2 All students on a programme of further education study at the South Eastern Regional College are required to pay appropriate 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.

Students are personally responsible for ensuring that all appropriate fees, fines, and other charges, including any element of fees payable by sponsors/third parties, are paid. In accepting the offer of enrolment, the student accepts a contractual liability to pay the tuition fee for the duration of their programme or course in accordance with the standard terms and conditions.

The College makes every effort to remind students of fees, fines, and other charges due by means of invoices, statements, and other correspondence. However, these are reminders only and students are contractually responsible for paying fees, fines, and other charges on time whether invoices, notices or statements are received or not.

All payments made to the College in respect of student fees, fines and other charges must be made in pounds sterling. Any currency conversion costs or other charges incurred in making a payment or in processing a refund shall be borne by the student or the third party making or receiving the payment and shall not be deductible from the amounts due to the College.

Refer to SERC Fees Policy for full details of tuition fees, charges, concessions, and payment of fees.

4.3 Employer Engagement

Credit Reference Checking

All Schools and departments entering into a contract, with a new customer, for an anticipated agreement with a total value of £5,000 (including VAT) and above will require permission from the Finance Department prior to any agreement being entered into or work being carried out.

The Deputy Head of Finance will instruct the Finance Department to conduct credit checks, as deemed appropriate by the Finance Business Partner, by one or more of the following methods:

- Taking up trade references;
- Taking up bank references;
- Obtaining a credit status report from a business information company; and
- Analysis of audited accounts.

The Finance Department will inform schools and departments of the outcome of the credit checks. Once permission is given by the Finance Department, the school or department can enter into an agreement/contract.

Schools or departments can request the Finance department to carry out a credit check on any company or individual where they feel it necessary to ensure the risk of debt to the College is minimised.

Credit Limits

Credit limits are utilised by the College in order to minimise the risk of loss through the non-payment of debts. They will be set by the Finance Department in consultation with the appropriate school or department.

Credit limits should be determined in accordance with the customer's needs and credit worthiness, but should not exceed the debtor's ability to repay (as evidenced by a credit check), or which the debtor's past payment history suggests is beyond their trading ability.

Factors to consider when setting individual credit limits include:

- Typical order sizes and the price of the goods or services;
- Typical frequency of ordering;
- Any exceptional settlement terms that may be applicable;
- The credit rating of the customer determined during the credit check;
- The customer's payment record, in the case of existing customers.

Credit limits should be reviewed annually or more frequently if the Finance Department consider it necessary. Unless authorised in writing by the Head of Finance or Deputy Head of Finance, credit limits are not to be exceeded.

Contracts

It is the responsibility of the schools and departments to ensure that contracts are agreed, and/or purchase orders are received prior to the provision of goods and services.

Invoicing

Commercial/Employer Engagement invoices are raised at the point of registration.

All goods supplied and services rendered must be accounted for through the College's accounting system.

Schools and departments are responsible for ensuring that the Finance Department is fully informed of all sources of commercial income due on a timely basis, in line with the College's Cash Receipting SOP.

Income must be billed through the College's financial system. Data for invoicing is provided by schools and departments and must include the received purchase order number (if applicable). Only the Finance Department can issue an invoice.

5.0 Debt Management

5.1 Tuition Fees and Charges (Current Academic Year)

Students who are availing of the instalment payment options, as per the College Fees Policy, are required to provide evidence of how they will fund their course fees, i.e. submission of direct debit mandate or external funding award letter, during the College enrolment process.

In exceptional instances, students may have failed to provide this information during the enrolment process. In such exceptional instances, a reminder will be issued to these students during the first weeks of term.

The debt recovery process will be immediately triggered when: (a) a direct debit mandate for payment by instalment is not provided, is invalid or has been cancelled by the student; (b) proof of funding is not provided (c) an invoice for fees or charges is not settled within thirty days of the date of issue; or (d) where a payment in accordance with an agreed instalment plan is not received.

The debt management and recovery steps to be followed, which apply to all students where debt is identified, are:

2. Full & Part Time FE Students Full Time A-level Students, aged 19 or over, and part time students who have chosen to pay by instalment or have not submitted confirmation of funding from FE Grants/Student Finance NI Required confirmation of funding includes: • Award letter from Student Finance NI OR • Completed Direct Debit Mandate (and any additional requirements to confirm banking or personal details OR • Completed Sponsor Liability form from employer/sponsoring organisation OR • Upfront payment of full fee	
Date	Action
Following enrolment	FT FE Students (A level Students): Students will be enrolled to 'ENROLNOFEES' status and Customer Services will contact Student for confirmation of how fees will be funded, once A level subjects have been confirmed. Once evidence of how studies will be funded is submitted the

	enrolment status will be updated to 'ENR' and the tuition fee invoice generated. PT FE Students: Students are not permitted to enrol until direct debit mandate has been completed, sponsor or award letter submitted, and deposit (if required) has been paid.
September	
Week 3	FE Students: Customer Services will continue to contact & remind Students at ENROLNOFEES status of the need to provide confirmation of funding and complete their enrolment.
Week 4	All Students: Customer Services continue to contact all students with enrolnopees status until evidence of payment or how they will fund their studies is received. IT access revoked for Students who have not provided confirmation of how they will fund their course.
October	
1 October	All Students: Final date for submission of Direct Debit mandate for November direct debit lift. IT access will not be reinstated until direct debit or proof of funding provided. Student also required to make manual payment to Customer Services for November instalment IT access will be revoked again if this is not received by COB on 1 November All Students: Customer Services continue to contact all students at 'ENROLNOFEES' status until evidence of payment or how they will fund their studies is received. IT access revoked for all students who have not confirmed how they intend to fund their studies. All Students: Direct debit agreement notification to be sent to students as soon as direct debit agreement is created. Final notifications must be sent by end of second week of October as per required notice period.
November	
1 November	All Students: 1st Direct Debit Lift of 6 equal instalment payments and 1st Direct Debit Lift of 2 equal instalment payment Term 1 short courses. All Students: Students whose direct debit payment is unable to be collected will immediately forfeit the concession to continue paying by instalments, and their entire balance outstanding will become immediately due. A £10 administration fee will also be added to the student's account. Student will be contacted by phone and text message to advise that payment has been missed and must be made via Customer Services asap. If payment not received within 5 calendar days IT access will be immediately revoked. Schools to be advised of this action. All Students: Monthly Statements printed and sent to ALL students whose direct debit was unable to be collected or have other outstanding debt. All Students Direct Debit from December onwards: Direct debit agreement notification to be sent to students as soon as direct debit agreement is created. Final notifications must be sent by end of second week of November as per required notice period.

December	
1 December	All Students: 2nd Direct Debit Lift of 6 equal instalment payments and 2nd Direct Debit Lift of 2 equal instalment payment Term 1 short courses. All Students: Monthly Statements printed and sent to ALL students whose direct debit was unable to be collected or have other outstanding debt. All Students: Students whose DD has been unable to be collected are contacted by telephone and text message to advise that payment is over due and that payment must be made immediately to avoid IT access being revoked. Schools to be advised of this action.
January	All Students Referral to debt collection agency for all students on instalment plans who have failed to make payment on agreed payment dates or failed to provide proof of how they will fund their studies. Monthly Statements printed and sent to ALL students who have whose direct debit was unable to be collected, or who has defaulted on payment plan.
February	All Students: 3rd Direct Debit Lift of 6 equal instalment payments
1 February	All Students: Monthly Statements printed and sent to ALL students who have whose direct debit was unable to be collected, or who has defaulted on payment plan. Referral to debt collection agency for any students who have failed to act on the last three-monthly reminders. All Students: Students whose DD has been unable to be collected are contacted by telephone and text message to advise that payment is overdue and that payment must be made immediately to avoid IT access being revoked. Schools to be advised of this action
March	All Students: 4th Direct Debit Lift of 6 equal instalment payments and 1st Direct Debit :Lift of 3 equal instalment payments Term 2 short courses
1 March	All Students: Monthly Statements printed and sent to ALL students who have whose direct debit was unable to be collected, or who has defaulted on payment plan. Referral to debt collection agency for any students who have failed to act on the last three-monthly reminders. All Students: Students whose DD has been unable to be collected are contacted by telephone and text message to advise that payment is overdue and that payment must be made immediately to avoid IT access being revoked. Schools to be advised of this action
April	All Students: 5th Direct Debit Lift of 6 equal instalment payments and 2nd Direct Debit :Lift of 3 equal instalment payments Term 2 short courses
8 April	All Students: Monthly Statements printed and sent to ALL students who have whose direct debit was unable to be collected, or who has defaulted on payment plan. Referral to debt collection agency for any students who have failed to act on the last three-monthly reminders.

	All Students: Students whose DD has been unable to be collected are contacted by telephone and text message to advise that payment is overdue and that payment must be made immediately to avoid IT access being revoked. Schools to be advised of this action
May 1 May	All Students: 6th Direct Debit Lift of 6 equal instalment payments and 3rd Direct Debit :Lift of 3 equal instalment payments Term 2 short courses All Students: Monthly Statements printed and sent to ALL students who have whose direct debit was unable to be collected, or who has defaulted on payment plan. Referral to debt collection agency for any students who have failed to act on the last three-monthly reminders. All Students: Students whose DD has been unable to be collected are contacted by telephone and text message to advise that payment is overdue and that payment must be made immediately to avoid IT access being revoked. Schools to be advised of this action
June	All remaining outstanding debt to be referred to debt collection agency.

The debt collection agency will follow agreed procedures by the contract. The Head of Finance will review the potential use of legal proceedings following completion of the debt collection agency process.

Sponsor Invoices Employers or other Sponsor organisations paying on behalf of students. Sponsor invoice will be generated by Agresso and emailed the following day direct from Agresso. Sponsor invoice payments should be in line with the credit terms, of 30 days from date of invoice.	
Date	Action
September	
Week 4	Sponsors with invoices still outstanding by end of September week 4 will be contacted by phone and email.
Week 4	Sponsor statements will be sent on a monthly basis, on the last Monday of each month. Copy of Sponsor liability form should be included with the statement and consequences of breach in payment terms.
October	
Week 2	Students whose Sponsor has not made payment after 30 days (mid-October) will have their IT access revoked until payment is received.
Week 4 (monthly thereafter)	Sponsor statements will be sent on a monthly basis, on the last Monday of each month. Any payment still outstanding, after three statements have been issued, will be referred to the College's Credit Collection Agency.

Alongside monthly reminders students with outstanding fees will also be contacted by telephone, text message and email. Debts still outstanding after 3 monthly reminders are sent to a debt collection agency. The Head of Finance will review the potential use of legal proceedings following completion of the debt collection agency process.

5.2 Tuition Fees and Charges - Debt from previous Years

Students with tuition fee debt from the previous academic years shall not be permitted to register for the new academic term. Any student with debt remaining older than one academic year will have a warning to prevent enrolment added to their online application account. The decision to re-enrol is at the discretion of the Head of Finance.

5.3 Tuition Fees and Charges - Final year Students

Students in their final year must make full settlement of fees and other charges prior to the end of their course. .

Failure to make full settlement to the College by 31 July will result in the student not being eligible to receive their exam certificate or a transcript of studies, until full settlement of fees has been received

5.4 Tuition Fees and Charges - Payments on Account

If the student has a debt to the College and makes a payment on account, this will be applied against the oldest debt first, unless advised otherwise. Students will not be permitted to enrol for any further courses until all outstanding debts are paid.

5.5 Business Services Invoicing and Debt

Business Services income relating to their course provision is due upon enrolment and follows the Sponsor Invoice process detailed in Section 4.1. For all other income (i.e. non-participant/student course charges) the College's standard credit terms are 30 days from date of invoicing. The following collection procedures will commence on accounts that remain unpaid after 30 days:

- Statements are issued to all customers on a monthly basis, last Monday of each month;
- Telephone and e-mail follow up is undertaken with customers who have outstanding debts
- Regular liaison is maintained with Business Services who will provide assistance in resolving queries;
- If, after the procedures detailed above are undertaken, repeated for 3 months, and payment is not forthcoming, the debts will be placed with an external debt collection agency; and
- Legal Action – failing success of the Debt Collection Agency subject to merits and costs case by case.

Invoices will be treated as individual transactions when reminders are issued. They will only be withheld from the debt collection process by the Accounts Receivable Team for justifiable mitigating circumstances. The Accounts Receivable Team will liaise and review circumstances on a regular basis with the originating Department of the debt.

5.6 Miscellaneous Debt

The following collection procedures will commence on miscellaneous debt that remain unpaid after 30 days:

- Statements are issued to all customers on a monthly basis, last Monday of each month;
- Telephone and e-mail follow up is undertaken with customers who have outstanding debts
- Regular liaison is maintained with School/Department that has relationship with debtor;
- If, after the procedures detailed above are undertaken, repeated for 3 months, and payment is not forthcoming, the debts will be placed with an external debt collection agency; and
- Legal Action – failing success of the Debt Collection Agency subject to merits and costs case by case.

6.0 Authority to write off debts

Following the exhaustion of debt collection procedures, debt may have to be written off as bad debt. The authority to write off South Eastern Regional College debt is as follows:

• Debts below £100 may be written off with the permission of the Head of Finance. All such requests must be made in writing;

• Requests to write-off debts between £101 and £7,000 must be referred in writing to the Deputy Chief Executive for submission to the Accounting Officer for approval.

• Requests to write off debts in excess of £7,000 in any single case are required to be approved by the Department for the Economy in accordance with the Partnership Agreement.

Note where fraud is suspected the value of £7,000 changes to £2,000.

7.0 Enquiries

Any enquiries should be directed to the Finance Department.

8.0 Communication Plan

The College Procedure is available on the SERC Learning Engine.

9.0 Review

This SOP will be reviewed annually or sooner to reflect changes in legislation or circumstance.

Appendix 1: Document Change History

Version	Date	Change Detail
1.0	April 2011	Created
1.1	June 2020	Updated for 20/21 Payment Dates and Debt Management processes.
1.2	June 2021	Procedural updates to reflect EBS enrolment processes and automatic emailing of invoices from financial system.
1.3	June 2022	Section 3.2 - Credit Referencing and Credit Limit – Deputy Financial Controller with authority to make decisions. Section 4.6 - Miscellaneous Debt – included debt control procedures.
1.4	December 2023	Update job titles from Financial Controller to Head of Finance and Deputy Financial Controller to Finance Services Manager Section 4.1 – updated for the revision to paying by instalments to six equal instalment payments
1.5	October 2024	Update of job titles from Finance Services Manager to Deputy Head of Finance (throughout). Update of information regarding payment by six instalments (throughout). Removed references to ID cards (as ID cards are now electronic) (throughout). Section 6 – updated limits to match DfE Partnership Agreement with College. Changed write off of bad debts under £100 to requiring approval of Head of Finance.
1.6	October 2025	Removal of HE debt to separate HE Credit Control and Debt Management SOP Update to 2025/26 Dates.