

| **CONTROL HEADER** |
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| **Department**  | Finance Department |
| **Author**  | Executive Director of Finance  |
| **Authorised By:**  | VCB  |
| **Implementation By:**  | Finance |
| **Policy Reference:**  | POPRFIN2122111 |
| **Policies Replaced:**  | PRFIN1617095 |
| **Version No:**  | 1.0 | **Approval Committee:**  | VCB Strategy & Finance |
| **Date approved:**  | 07.02.2211.02.22 | **Minute no:**  | 21.67.0121.46 |
| **Status:**  | Draft | **Implementation Date:**  | Feb 22 |
| **Period of approval:**  | 3 Years | **Review Date:**  | Feb 25 |
| I have carried out an equality impact assessment screening to help safeguard against discrimination and promote equality |
| I have considered the impact of the Policy on the Welsh language and Welsh language provision within the University. |

DEBT COLLECTION AND RECOVERY POLICY / FINANCIAL PROCEDURES

# COLLECTION AND RECOVERY OF STUDENT DEBTS

# INTRODUCTION AND GENERAL INFORMATION

This document sets out the policy of the University in relation to student and corporate debt, along with the debt management procedures that will be followed. Recognising that student fees represent the majority of the University’s income the policy focuses predominantly on student debt alongside the University’s Student Tuition Fee Regulations.

## Students

* 1. The policy applies to all students including full and part-time, undergraduate, postgraduate, WGU Online, home and overseas students and is set out to ensure that all students are treated in a fair and equitable manner.
	2. The University recognises that there will be instances where students face financial hardship which will impact on their ability to pay their fees and charges in full and on time. The University takes the welfare of all its students seriously and offers a variety of support and where appropriate financial assistance. Should any student find themselves in financial difficulty and are unable to pay their fees, it is imperative that they contact the Finance Income Team to discuss their specific circumstances and for advice about support available within the University.
	3. Students should also refer to the Student Tuition Fee Regulations relating to their year of entry, which can be accessed using the links below:

[Student Fee Regulations](https://glyndwr.ac.uk/media/marketing/fees/Student-Tuition-Fee-Regulations-2021-2022.pdf)

* 1. Students must be aware that they are personally liable for payment of Tuition Fees relating to the course(s) they register on and for Accommodation Fees that are due under their Licence to Occupy or Tenancy Agreement with the University.
	2. Where students owe a significant amount in overdue debt for tuition fees and have no means of paying this debt it will not be in the student’s best interests for the University to allow them to continue their studies and increase their burden of debt.
	3. Details of the provision of statements and reminders, for the various categories of debt are provided in the relevant sections of this policy which also details actions that may be taken to recover debt should a student or sponsor fail to either make payment, adhere to an agreed payment plan or to contact the Accounts Receivable Team regarding settlement of their account balance.

Contact Details are as follows: Accounts Receivable Team, Telephone: 01978 293936, Email: accountsreceivable@glyndwr.ac.uk

## Invoices – Payment Terms

* 1. Payment of all invoices must be made in full within 30 days from date of invoice. For students there is an option to set up an acceptable payment plan, details of which are noted below under the specific headings.
	2. The University accepts many different forms of payment, including Online, bank draft or cheque and Bank transfer. Cash is not accepted under any circumstances.

## Definition of Academic and Non-Academic Debt Types

**Academic Debt Non-Academic Debt**

 Tuition Fees (over £50) Accommodation Fees

 Sponsored Tuition Fees (over £50) Loan Equipment

 Other miscellaneous charges

 Commercial Debt

 Library Fines

 Trips

 Tuition Fees (under £50)

* 1. In accordance with CMA guidance following Consumer Rights Act 2015, the University defines academic debt as tuition fee debts only of £50 or more. All other debts of £50 or more relating to library loans/fines, equipment loans/fines, accommodation etc. are defined as non-academic debts. Only academic debtors can be prevented both from progressing to new academic years and attending graduation. Non-academic debtors can only be prevented from attending their graduation ceremony.

This can be summarised as follows:

**Academic debtor Non-academic debtor**

**<£50 =>£50 <£50 =>£50**

Prevention of enrolment to new

academic year of study No Yes No Yes

Withholding certificates Yes Yes No No

Prevent from attending graduation Yes Yes No No

## Tuition Fees

* 1. Tuition fees invoices will be sent via email to a student’s University email address alongside any personal addresses the student has provided. The use of a student’s personal email will continue to be reviewed in light of GDPR regulations.

4.2 Our student tuition debt process starts at the point of Registration. All overseas students are required to pay a percentage of their tuition fee prior to CAS is issued. All other students are required to pay one third of their fee and set up a payment plan by 31st October per Tuition Fee Regulations. Failure to do so will result in reminder letters being sent to the students.

4.3 A credit account is opened for all students (or corporate sponsors) paying hostel or tuition fees, for the Student Loan Company (SLC) paying fees for full-time students and for customers contracting for other services provided by the University, hiring’s, consultancy, conferences, specialist courses, research and grants etc.

* 1. All accounts are held within the Sales Ledger of the University Accounting system, and centrally updated and monitored within the Accounts Receivable section of the University Finance Department.

# RECOVERY OF UK STUDENT TUITION FEE DEBTS

## Background

The University makes available several methods of payment to all students who are required to pay tuition fees, it is however necessary for the University to have arrangements for the recovery of outstanding debts to the University in respect of tuition fees, library fines and other academic- related charges.

## Procedure

The University's procedure seeks to encourage payment of outstanding student debts by undertaking dialogue with the student (or corporate sponsor) leading to agreement on the resolution of tuition fee debts; but also to take such action against student debtors as may be necessary to ensure equitable treatment of all students required to pay tuition fees and other academic-related charges. Where a corporate sponsor has agreed to pay student fees, dialogue will initially be undertaken with the corporate sponsor. However, it is the student that remains ultimately liable for any outstanding debts.

## Practical Application

1. In order to encourage payment of Tuition Fees and academic-related charges, the Accounts Receivable team will initiate dialogue as follows:-
	1. The invoice will specify the appropriate due date for payment (including instalments).
	2. Where an invoice remains fully or partly outstanding, a reminder e-mail will be issued 7 days after the first instalment is due.
	3. If the first instalment remains outstanding after 14 days from the instalment due date, a Finance Officer will contact the student by phone.
	4. Where an invoice continues to remain outstanding in full or in part, and no arrangement for deferred settlement has been made, a second reminder e-mail will be issued 21 days after the first instalment is due.
	5. If an invoice continues to remain outstanding in part or in full after 28 days, and no arrangement for deferred settlement has been made a Finance Officer will contact the debtor by phone to make an appropriate arrangement, receive payment, and/or explain what sanctions may be taken and also establish why payment has not been made:

The following are sanctions may be applied to the student –

* Student ID card & Library Access Rights and blocking access to online resources – once the third reminder letter for non-payment of tuition fees has been issued, the student’s ID card will be blocked. This will deny access to buildings and restrict the ability to borrow books from the Library. The ID card will only be reinstated once the University receives payment in full or an acceptable payment plan has been agreed with the Finance Income Team. This will normally be done within 72 hours (taking account of weekends where relevant).
* Students who default during their study will be deregistered in line with the University’s Tuition Fee Regulations and will only be reinstated once they have settled their debt or agreed an acceptable payment plan.
* Returning students will not be allowed to re-enrol and will be withdrawn from their course unless they have settled in full any overdue debt from the preceding year/period of study at the University.
* Students will not be eligible for a student loan or any financial support from the University.
* Any student holding a Student Visa will be reported to the Home Office Immigration authorities, UKVI, where their Visa may be curtailed.
* Student visa holder – international students holding a valid Student visa issued by UKVI who have not registered on time in any academic year covered by the Visa will be in breach of 6 the Visa conditions and will be reported to the Home Office Immigration Authorities where their Visa may be curtailed.
* Correspondence – students with outstanding tuition fee debt may not be entitled to receive any University letter confirming them as a student, certificate of award, completion certificate or transcript until the debt is paid in full.
* De-Registered and Non-Retuning Students – Debts will be referred to the university’s debt collection agencies if no response for resolution of outstanding debt has been received, where appropriate legal action will be taken to recover amounts outstanding. Debts that are uneconomical to pursue through debt collection agencies will be directly referred to County Court. Only reputable Debt Collection Agencies who must be a member of one of the professional bodies, either the Institute of Credit Management or the Credit Services Association are employed by the University.
	1. If the debtor then fails to make payment after 35 days, fails to make a suitable arrangement to discharge the debt, or fails to implement an agreed arrangement, then a final letter will be issued, advising the student that unpaid fees may lead to them having access revoked and sanctions implemented. The student will also be advised that they may not be able to enrol for their following academic year if they remain a debtor and, if in their final year, that unpaid fees will lead to them not being able to graduate. Also the student is advised their debt may be passed to a Debt Collection Agency appointed by the University.
	2. If the debtor does not make contact with Accounts Receivable then a decision will be made by the Head of Finance in regard to the debt and the potential to pass to a debt collection.
	3. Once placed with a Debt Collection Agency the debt is retained on the debtors ledger but is annotated as ‘at risk’ in regards to its collection. A list of students who are at this stage is also provided to the Academic Faculty they belong to for their information. It is in the Faculty’s interest to assist in pursuing the student for the debt as it is their cost base that will be charged with any bad debt provisions made.
1. The effect of student tuition fee debt on academic certification/progress is as follows:
	1. Students who have not reached an agreement with the University in relation to an outstanding academic debt before the start of the next academic year will be deemedto have automatically excluded themselves from the University by reason of non-payment of an academic debt and will not be allowed to re-enrol automatically at the University for the next period of their studies, before reaching an agreement with the Finance Office.
	2. Students who have reached an agreement with the University in relation to an outstanding academic debt before the start of the next academic year, and the Progression/Award Board has agreed that they can progress, will be allowed to re-enrol at the University for the next period of their studies.
	3. The University will withhold certificates and transcripts from students with debts relating to the academic experience even if they have made arrangements to pay their outstanding debt. Such students will not be invited to attend any Academic Awards Ceremony and their name will not appear in the Academic Awards Brochure.
	4. For research students accumulation of debt will be reviewed at the point of thesis submission, and the University may refuse to accept the thesis and/or arrange associated examinations.
2. In order to encourage payment of Accommodation Fees, the Accounts Receivable team will initiate dialogue as follows:
	1. Where students have set up a recurring card payment via WPM for accommodation debt only:
		1. Student’s sign a contract with the accommodation team specifying agreed payment dates. Invoices are then produced from the Occam system and uploaded to bluQube.
		2. Student’s pay in 3 instalments upon receipt of invoice through the recurring card payment pathway. (3 instalments fall due October/January/April – see Tuition Fee Regulations)).
		3. When an instalment payment fails to collect an automated e-mail is sent to the student on the date the payment is declined, via the online payment system, advising that the payment has declined and the payment will be re-presented in 5 days from date of the e-mail.
		4. If the declined payment fails to collect after being re-presented a further e-mail is sent advising the student that the payment has failed.
3. A former student, whether he/she has left the University following exclusion or otherwise, remains liable for debts to the University. If the debt remains unpaid, or an agreed repayment plan is not honoured, the University will continue to take measures to recover the outstanding debt through use of an external Debt Collection Agency.

# RECOVERY INTERNATIONAL STUDENT TUITION FEE DEBTS

## Background

The University makes available several methods of payment to all students who are required to pay tuition fees, it is however necessary for the University to have arrangements for the recovery of outstanding debts to the University in respect of tuition fees, library fines and other academic- related charges.

1. New International Students’ 1st year Fees: - Students are required to pay a percentage of their first year’s tuition fees before a CAS will be issued, and the remaining balance should be paid in full within 6 months of the course start date. Alternatively the student can provide evidence of sponsorship which confirms the full first year fee is to be paid by their approved sponsor. The first years course fees or eligible sponsor letter must be received prior to a CAS letter being issued.

The University reserves the right to request course fee payments in full prior to issuing the CAS if it is decided that this is necessary to support the student’s visa application.

If the course fees are not paid in accordance with the Terms and Conditions of offer the University may have no other option than to withdraw the Scholarship awarded to the student.

1. Returning International Students: - all tuition fees are subject to a minimum payment of £5,000 (or the full fee if the full fee is less than £5,000) prior to registration when re-enrolling for 2nd, 3rd or 4th year, with the balance payable by 31st January in the relevant academic year.

## Procedure

The University’s procedure seeks to encourage payment of outstanding student debts by undertaking dialogue with the student leading to agreement on the resolution of tuition fee debts; but also to take such action against student debtors as may be necessary to ensure equitable treatment of all students required to pay tuition fees and other academic-related charges.

## Practical Application for Returning International Students

1. In order to encourage payment of tuition fees and academic-related charges, the Accounts Receivable team will initiate dialogue as follows:-
	1. The Immigration Compliance team will send details of all international students to the Accounts Receivable team prior to enrolment.
	2. The Accounts Receivable team will check the student details against the debt ledger for any outstanding balance and notify Immigration Compliance of students with an outstanding debt.
	3. If a student has a remaining balance to pay after 6 months from the course start date, the Accounts Receivable team will commence with the following debt collection procedure:
		1. Where an invoice remains fully or partly outstanding, a reminder e-mail will be issued to the student immediately,
		2. If a balance remains outstanding after 14 days from the due date, a Finance Officer will contact the student by phone.
		3. If an invoice remains outstanding 28 days after the due date, a letter of final demand will be sent to the debtor outlining debt actions as a consequence of non-payment. This will include notification of sending the debt to a third part debt collection agency, in order to collect the outstanding debt. The Immigration Compliance team will also be notified of the outstanding debt, due to possible issues with UKVI.
		4. If an invoice is outstanding 42 days after the due date, the debt will be passed to a debt collection agency.
2. The University will withhold final results, certificates and transcripts, from students with debts relating to the academic experience even if they have made arrangements to pay their outstanding debt. Such students will not be invited to attend any Academic Awards Ceremony and their name will not appear in the Academic Awards Brochure.
3. A former student, whether he/she/they has left the University following exclusion or otherwise, remains liable for debts to the University. If the debt remains unpaid, or an agreed repayment plan is not honoured, the University will continue to take measures to recover the outstanding debt through use of an external Debt Collection Agency.

## Students with a Financial Sponsor – Corporate

A student has an official financial sponsor if their sponsor is Her Majesty’s Government, their home government, the British Council or any international organisation, international company, university or UK independent school. A student who is fully sponsored in this way is not required to make a deposit payment in order to receive a CAS. Instead, they must submit a copy of their sponsorship letter. To be valid, the letter must show:

* The name of the student;
* The financial sponsor's official name and contact details;
* The date of the letter;
* The length of the sponsorship; and
* The amount of money that the official financial sponsor is giving, or a statement that it will cover all of the course fees and living costs

Students with a financial sponsor may enrol without making any minimum payments. Sponsors will be invoiced following the enrolment of the student.

These students must provide a letter on enrolment/re-enrolment for each year of their course confirming that their sponsor will pay the fee for that particular academic year. Failure to provide any such letter will result in the student being made liable for payment.

Payments must be made directly to the University and not held by a recruitment agent. A CAS will only be assigned once the payment has been received by us, fully cleared into the University bank account.

The University will not accept cash, draft or cheque payments. Online payments or bank transfers are the only accepted methods of payment.

Appendix 1

**Student Debt Collection Flowchart**

Sanctions:

* Student ID card revoked
* Library access rights revoked
* Prevention from re-enrolling
* Certificates/Transcripts withheld
* Student not permitted to attend Graduation ceremony

No further action

No payment

No payment

No payment

No payment

No payment

No payment

Payment received

Payment received

Payment received

Payment received

Payment received

Payment received

No further action

No further action

No further action

No further action

No further action

Day 1: Instalment due

Day 21: Reminder E-mail sent to student

Day 42+: Debt sent to Debt Collection Agency

Day 14: Reminder phone call to student

Day 28: Reminder phone call to student

Day 35: Final letter issued to student

Day 7: Reminder E-mail sent to student

* CCJ (County Court Judgment) issued
* Additional court fees
* HCEO/Bailiff fees
* Warrant/writ costs