

Policy title	Income and Credit Control
Version number	26.0
Effective from date	1 st May 2026
Policy statement	The income and credit control policy outlines the practices that will ensure the University remains compliant with relevant law and supplementary regulations; ensures value for money; meets its environmental, ethical and civic commitments; and minimises the risk of customer failure and consequent impact on cashflow.
Applicable to	All staff involved in contractual relationships with customers, self-paying students, and funding agencies on behalf of the University or associated companies
Owner	Chief Financial Officer
Date EIA completed	N/A
Approving Committee(s)	Executive Audit & Risk University Board
Date of approval	16 th April 2026
Review date	April 2027

1. Scope and purpose

The **scope** of this policy is all trading activity for goods and services undertaken by University staff, or agents on behalf of the University, through any means. They apply to all University managed income, regardless of the source of funding.

The **purpose** of this policy is to ensure all invoicing and debt collection activity of the University and associated companies are undertaken in accordance with:

- Charity Commission requirements and the University's charitable aims articulated in its Articles of Association
- Tax legislation including VAT
- University's environmental, ethical and civic ambitions and business continuity arrangements

2. Roles and Responsibilities

Role	Responsibility
University Board	<ul style="list-style-type: none">• Approve income and credit control policy• Approve levels of delegated financial authority
Audit and Risk Committee	<ul style="list-style-type: none">• Review income and credit control policy and recommend approval
Chief Financial Officer	<ul style="list-style-type: none">• Agree classification of customers to debt management categories• Agree exceptional payment plans• Agree cash repayment to customer in place of netting off any credit off account balance• Approve student intercalation (pause in studies) on basis of debt• Approve tuition fee refunds following upheld student complaints
Accounts Receivable	<ul style="list-style-type: none">• Ensure invoices are raised promptly and accurately in accordance with supporting information and data• Maintain register of income contracts• Ensure VAT is applied and accounted for in accordance with current legislation
Credit Control	<ul style="list-style-type: none">• Ensure all overdue debt is on a debt management plan• Agree payment plans to terms outlined in this policy• Refer debt to debt collection agencies when local escalation has been exhausted
Budget holder	<ul style="list-style-type: none">• Ensure income contracts in their areas are managed, and contract terms are adhered to• Ensure supporting information, including student records, are accurate and up to date
Staff member	<ul style="list-style-type: none">• Follow University policies and procedures• Ensure any income due is flagged and invoiced quickly• Ensure the University receives best value for money

3. New Customers

Before any new sales agreement can be reached, a new customer must be set-up and have a category, credit limit and appropriate due diligence applied, as detailed in the table below:

Classification	Description	Due diligence	Credit limit
Student Loan Company	Student whose tuition fees are paid by student loan	Approved SLC loan	N/A
Apprentice	Student whose tuition fees are paid by Department for Education under the Apprenticeship Levy	N/A	N/A
Strategic Sponsor	Student whose tuition fees are paid by a sponsor that has a long-standing relationship with the University	Confirmation of sponsorship	N/A
Other Sponsor	Student whose tuition fees are paid by a sponsor (new sponsors will follow same due diligence process as a new customer)	Confirmation of sponsorship	Max 1 year of fees
Self-pay home student	Student eligible for home fees who is paying fees directly to University (they may have PG SLC loan)	Admission validation checks	Max 1 year of fees
Self-pay international student	International student who has passed CAS and VISA	CAS deposit and VISA approval	Max 1 year of fees
Research partner	UK Govt or University funding agency	N/A	N/A
Private Partner	Franchised or other academic delivery partner	Full due diligence review inc credit check	N/A
Commercial partner	Customer with longer term arrangement typically a sub-lease	Credit check	Based on credit check result
Commercial customer	All other customers e.g., ad hoc events or room hire	Credit check if >£10,000	Based on credit check result

3.1. Related parties

New customers that are a related party¹ to a member of the University should be declared at request, as well as declared in the Register of Interests.

The Register of Interests will periodically be reviewed to ensure any 'related' customers are flagged. No special terms or preferential treatment will apply to related party customers.

¹ 'Related party' is defined as a person or a close member of that person's family (partner and all children and dependants of the person and partner) that:

- i. has control or significant influence over the company (typically through ownership or shareholding); or
- ii. is a member of the key management personnel of the company.

3.2. Ethical and Social Considerations

The University has committed to sustainable and ethical business, and Executive Committee approval is required for any proposed new customer whose business meets any of the following criteria:

- **Tobacco** all companies classified as a “producer”, or those that derive 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products
- **Alcohol** all companies deriving 5% or more revenue from the production of alcohol-related products, or those deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products
- **Armaments** all companies that produce or manufacture weapons including nuclear weapons, controversial weapons and civilian firearms or generate more than 15% aggregate revenue from the production, distribution, retail and supply of weapons-related products
- **Gambling** all companies deriving 5% or more revenue from ownership of gambling-related business activities, or those deriving 15% or more aggregate revenue from gambling-related business activities
- **Adult Entertainment** all companies deriving 5% or more revenue from the production of adult entertainment materials, or those deriving 15% or more aggregate revenue from the production of adult entertainment materials
- **Fossil Fuels** all companies that have proved and probable coal reserves and/or oil and natural gas reserves used for energy purposes
- **Border industries** all companies that profit from the management, surveillance, detention, and deportation of migrants and refugees
- **Violation of international law** any corporation that has been accused of, taken to court for, or are listed by the United Nations (‘UN’) as, violating international law or UN resolutions in the past 5 years. This typically involves complicity in human rights abuses, international environmental damage, or business operations in illegal settlements.

3.3. Export controls

All University staff must be aware of export control in place, especially around shared research (i.e., outside the UK) in any of the following areas:

- Software or technology that is linked to items in the consolidated list of strategic military and dual-use items that require export authorisation
- Any knowledge or suspicion that the recipient of the software or technology intends to use it for weapons of mass destruction

For further information refer to:

<https://www.gov.uk/guidance/export-controls-applying-to-academic-research#assess-if-you-need-an-export-licence>

This policy does not supersede guidance on due diligence of potential research partners.

4. Raising Invoices and Credit Notes

Invoices can only be issued by the Finance Department through official financial systems. Other departments must not issue any other form of local invoice.

It is the responsibility of the departments who provide services to ensure sufficient and accurate information is supplied in order for the customer to promptly pay the invoice without

undue queries. This includes any purchase order, supporting documentation or other references used to allocate invoice requests to commitments made by the customer.

Similarly, departments must ensure information held on the student record system is accurate, and any queries related to the accuracy of student information will be directed back to them.

Should a credit note be issued after an invoice has been paid, the balance will be deducted from any future payments due. Exceptionally, with the agreement of the Chief Financial Officer, a payment may be made to the customer.

5. Payment of Debt and Debt Management

Payments must be made in pounds sterling into the University's bank account, either by bank transfer or debit/credit card. Cash is not accepted due to money laundering legislation.

5.1. Payment plans

Payment plans may be requested in order to clear debt, and will typically be agreed under the following conditions:

- Student debt is cleared by the end of the year of study
- Corporate debt is cleared within a maximum of one year

Payment plan offers are summarised below:

Debtor	Usual terms	Standard payment plan	Exceptional payment plan
Home UG student	30 days from term start	9 monthly instalments to clear debt by end of year of study	Monthly instalments to clear debt by end of year of study
Home PG student	30 days from term start	Equal thirds at start of each term to align to maintenance (and tuition fees if PG) payments	Monthly instalments to clear debt by end of year of study
International student	30days from term start	50% by first liability point ² 50% by second liability point	Monthly instalments to clear debt by end of year of study
All other	Typically, 30 days	Three equal monthly instalments	Monthly instalments to clear debt within a year maximum

Escalation action will be taken in accordance with the customer classification assigned at set-up. However, a debt will not be considered overdue should a payment plan be agreed **and** is being adhered to.

² Liability point is defined in the tuition fee policy, but typically 14 days after course start date (1st point) and date of return from first major holiday break (Christmas, Easter or summer – 2nd point)

Exceptions to the standard payment plan options can only be agreed by the Chief Financial Officer. They will only be agreed in exceptional circumstances which must be evidenced by the student.

5.2. Escalation of student debt

The University recognises the need to balance compassion with financial responsibility when dealing with student debt. It also recognises that it has a duty of care to ensure students do not incur additional unaffordable debt as they pass tuition fee liability points.

Therefore, the University will adopt the following approach when dealing with student debt i.e. when tuition fees remain outstanding **and** a payment plan has not been agreed **or** has not been adhered to:

- A student remains liable for their debt until formal confirmation of a sponsor's liability is confirmed.
- In the case of undergraduate tuition fee loans, the University is only notified once loan eligibility is confirmed.
- A student may submit evidence of an application for a tuition fee loan to pause debt collection as a loan typically takes 6-8 weeks from application to approval. Students are encouraged to apply for tuition fee loans as early as possible
- While debt remains outstanding, students are reminded of the sanctions that apply (see below) but are also actively directed towards financial help and support
- Students may request to intercalate due to debt. A pause in studies may allow them to recover past debt while not building up additional liability. Intercalation will be for a period of one year. A return from intercalation must also be agreed on academic grounds.

5.3. Sanctions for non-payment of debt

The University reserves the right to apply the following sanctions for non-payment of debt:

Action	Student	Company
Removal of access to the University's facilities	✓	✓
Withholding of any payment due from the University e.g., bursaries	✓	✓
Withholding of any results, certificates of award or transcripts	✓	
Withholding of invitation to graduation ceremonies	✓	
Withdrawal from the course and a bar on enrolling on any other courses awarded by the University	✓	
Suspension of UK visa and barring of re-entry into the UK	✓	
Referral to a debt collection agency, subsequent legal action and County Court Judgements on credit history	✓	✓

Ultimately a student may not re-enrol or graduate while debt remains outstanding.

Prevention of re-enrolment is to ensure a student does not incur more debt when they remain unable to pay current fees due.

If a student is unable to enrol due to debt, the normal 30-day non-enrolment period will apply i.e., they will be automatically classified as a non-enroller 30 days after course start date with no further access to the University's facilities.

Prevention from graduation is in place as the only sanction available to the University to secure payment once a student has completed their studies. For international students this will impact access to a graduate visa.

All outstanding student debt will be referred to a specialist student debt collection agency. Their first action after contacting the student is to undertake a financial assessment with the student and identify an appropriate repayment plan. It is only following failure at this stage that court action may be considered. This is always the last recourse once all other avenues have closed.

6. Cancellation and Writing-off Debt

Credit notes will be issued where over-invoicing errors have occurred. The cause of the error will always be determined to ensure similar mistakes are not repeated.

Tuition fee refunds may be agreed following a student complaint. These are agreed by the Chief Financial Officer on the basis of a recommendation from (OSACC) or the OIA. They will be charged back to the school that received the income.

All other refunds and waiver of fees must be agreed by the Chief Financial Officer.

The University will provide for all debt over one year old unless part of an active payment plan.

The Chief Financial Officer will periodically review outstanding debt and consider writing off any outstanding debt that:

- Is outside the statute of limitations (currently 6 years)
- Is subject to significant dispute and the University is unable to provide evidence that the debt is due
- Is uneconomic to pursue i.e., the cost of recovery outweighs the benefit

The write-off of any significant debt will be reported to Audit and Risk Committee along with the rationale for the write off.

7. Consequences

Wilful breach of this policy, or unauthorised departure, is a serious matter and may lead to disciplinary action.

Breach of export controls is a criminal offence, with a maximum prison term of 10 years.

8. Reporting

For the purpose of reporting the University has the following reference numbers:

VAT: 919 0424 31

EORI (importing): GB 919 0424 31 000

The University has a legal duty to comply with the Freedom of Information Act (FoIA), and therefore information relating to procurement activities may be disclosed.

However, non-tuition fee tariffs and other commercially sensitive information remain confidential and outside the scope of the FoIA and should never be divulged to any person or organisation outside of the University, unless an explicit data sharing agreement is in place.

The University has disclosure arrangements under the Modern Slavery Act 2015.

Apprenticeship delivery sub-contractors must be declared to the Department for Education.

Appendix 1: Debt Management Action by Customer Classification

Classification	Description	Due Diligence	Credit Limit	Terms	Chasing	Sanction
Student Loan Company	Student whose tuition fees are paid by student loan	Approved SLC loan	N/A	Liability points	None	None
Apprentice	Student whose tuition fees are paid by Department of Education	N/A	N/A	Monthly	None	None
Strategic Sponsor	Student whose tuition fees are paid by a sponsor with whom the University has a longstanding relationship (e.g. HEE, MOJ, DVA)	Confirmation of sponsorship	N/A	30 days	Monthly statement Polite reminder	None
Commercial Sponsor	Student whose tuition fees are paid by a sponsor with whom the University has an ad hoc relationship	Confirmation of sponsorship	Max 1 year of fees	30 days	Monthly statement Escalating reminders	Referral to debt collection
Self-pay home student	Student eligible for home fees who is paying fees directly to University (they may have PG SLC loan)	Admission verification checks	Max 1 year of fees	30 days from term start	Monthly statement Escalating reminders	Unable to re-enrol for subsequent year or graduate
Self-pay international student	International student who has passed CAS and VISA	CAS deposit and VISA approval	Max 1 year of fees	30 days from term start	Monthly statement Escalating reminders	Unable to re-enrol for subsequent year or graduate
Research partner	UK Govt or University funding agency	N/A	N/A	As per funding agreement	Monthly statement Polite reminder	None
Academic Partner	Franchised or other academic delivery partner	Full due diligence review	N/A	30 days	Monthly statement Polite reminder	Escalation to PMG.
Commercial partner	Customer with longer term arrangement typically a sub-lease	Credit check	Based on credit check	30 days	Monthly statement Polite reminder	Escalation to Exec lead
Commercial customer	All other customers e.g., ad hoc events or room hire	Credit check if >£10,000	Based on credit check	30 days	Monthly statement Escalating reminders	Referral to debt collection