

UNIVERSITY OF WORCESTER

POLICY

DEBT MANAGEMENT POLICY: STUDENTS

Contact Officer

Account Receivable Manager

Purpose

A detailed guide of the debt management process for the University in relation to student debt.

Overview

The aim of the policy is to minimise levels of student debt, where possible, also ensuring the risk of any potential bad debt is reduced thus ensuring the overall financial status of the University is maintained and improved.

Scope

For use by all internal staff for information, Finance Department for action and students attending the University.

The Policy

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 timescales and actions taken by the University, to manage this process.

The Director of Finance is responsible for managing and reviewing this policy, 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.

STUDENT CONTACT

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.

Students experiencing difficulties in paying any fees and charges should seek help at the earliest opportunity through:

- Making contact with the Finance Department 01905 855125/ 01905 542474/ 01905 542703 / 01905 855129 or creditcontrol@worc.ac.uk
- Visiting or contacting Firstpoint to arrange an appointment with a Finance Duty Advisor - 01905 542551 or firstpoint@worc.ac.uk

FEES AND CHARGES

Students are personally responsible for ensuring that all appropriate fees, fines and other charges, including any element of fees that are payable by sponsors, are paid in accordance with the requirements set out in this policy. In accepting the offer of Registration to the University, the student accepts a contractual liability to pay the tuition fee for the duration of their course in accordance with these Regulations, this liability also includes all other charges and fees which are incurred. **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.**

On registration all students will be required to enter bank details or provide relevant card details for payment of tuition fees.

The University makes every effort to remind students of fees, fines and other charges due by means of invoices, notices and statements. 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.

Students are reminded that they must notify the University immediately there is any change in either their home or term-time address. Students can use the University's online facility, SOLE, to notify a change of address.

Posted communications from the Finance Department are normally sent to the student's term-time address during the standard term and to the student's home address at other times. However, the Finance Department reserves the right to send communications to either or both addresses as appropriate. Students are expected to collect or arrange to forward mail where appropriate. Electronic communications from the Finance Department will be sent to the student's University email address where possible however the University reserves the right to send communications to any private address as supplied on your SOLE page or supplied within any other communication

with the University. Students are expected to check for messages on their University email address and the University Portal at regular intervals.

All payments made to and from the University in respect of student fees, fines and other charges must be made in £ 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 University.

The following provides details of tuition and accommodation fees, along with payment options.

1) Tuition fees

All students registered with the University of Worcester will each year pay a tuition fee for the relevant academic period studied, which, unless otherwise stated, will cover Registration, Tuition and Examination Fee, please note additional fees including repeat tuition/exams etc will be charged separately.

Tuition fees are chargeable for the academic period required by the programme, with annual amounts charged for each academic year of the programme unless otherwise stated. It is to be expected that tuition fees will increase on an annual basis.

Many students receive full or partial support for their fees, whether from Student Finance England, from an employer or other sponsoring agency.

Sponsored students are required to provide written evidence of their sponsorship before or at the time of registration, so that the sponsor can be invoiced. Failure to provide this information will result in the student having to pay for the full fee and will need to arrange payment. In the event that a fee paying body fails to pay, or unduly delays payment, the student will be required to pay the fee in full.

Students may be eligible for a tuition fee loan from the Student Loan Company. If they take the loan for the full tuition fee amount, this means they will not have to directly pay towards their fees during the time they study on the course. They will however need to supply their support notification number and payment schedule to the University and make sure their details are correct. If the SLC have not paid or a payment schedule has not been supplied by the 31st December then payment of fees will be the student's responsibility until such time as the loan is received by the University. If students are taking a partial fee loan they will have received a Student Finance Letter which will confirm how much they need to pay to the University to cover tuition fees. The student must make payment based on the Student Finance Letter and not wait to receive an invoice from the University.

For self-funded Undergraduate / Post graduate full time home / EU students the University approved payment options are:

1. A single payment in full by or at registration.
2. In 6 equal instalments by direct debit or credit/debit card

For Graduate Research School home/ EU students the University approved payment options are:

1. A single payment in full by or at registration
2. In 8 equal instalments by direct debit or credit/debit card

For Part Time Students approved payment options are

1. A single payment in full by or at registration.
2. In 6 equal instalments by direct debit or credit/debit card

Please note students who register after 15th October will be required to pay 2 instalments in the 1st payment and so on.

Any additional modules or retakes added in semester 2 will be subject to payment within 30 days.

For International Students

International students who require a tier 4 visa must pay a deposit of 50% of the tuition fee before they receive their CAS. Other international students must pay the deposit before the start of Semester 1 (30 September). The remaining 50% of the tuition fee is due before the start of Semester 2 (31st January).

The deposit of 50% is non-refundable, however in some circumstances we may consider a refund (after deducting administrative costs) if your application for Tier 4 visa is unsuccessful for reasons beyond your control, and you can provide evidence to support this. Requests for refunds, including supporting documentary evidence, should be made by email to creditcontrol@worc.ac.uk within 3 months of the deposit payment date. Refunds will not be paid if you have:

- made a visa application that is deemed to be fraudulent;
- provided incorrect documentation for your visa application; and/or

- have insufficient funds to study in the UK, this includes: not having enough money in the bank account; the money not being in the account for the required length of time; and using an account that is not approved.

If you need to defer your place we may be able to hold the deposit over for one year. To do this you must ensure that you contact the International Office via email at international@worc.ac.uk within 3 months of the deposit payment date.

Please note

Students who have not arranged to take a fee loan and have not paid their tuition fees in full by the due date or made arrangements to pay by direct debit will be subject to debt management procedures as detailed in this policy.

It should be noted that academic tutors are **not** in a position or empowered to vary fees or agree payment schedules with students on behalf of the University.

All fee and payment related matters must be referred to the Finance Department or Firstpoint.

2) ACCOMMODATION FEES

Accommodation offered by the Residential Service of the University is dependent on the student signing a Licence/Tenancy Agreement for the period of accommodation and paying a deposit as stated on the University Accommodation website. The University reserves the right to offset any accommodation arrears or other sums due to the University for damages etc against the deposit.

The University approved payment options for accommodation fees are:

1. In 3 equal instalments by direct debit or credit/debit card in line with maintenance loan payments from Student Loan Company usually October, January and April.
2. In 6 equal instalments by direct debit or debit/credit card October to March

Students who are only studying for 1 semester will be offered 3 equal instalments

Similar to the procedures for tuition fees, students who have not paid their accommodation fees in full by the due dates or made arrangements to pay by direct debit will be subject to the debt management procedures as detailed in this policy.

3) OTHER FEES AND CHARGES

Payments for the use of University facilities or provision of resources are due for payment within 30 days of the invoice date.

Additional charges

The University reserves the right to levy additional charges for the non-payment of debt and cancellation of direct debit instructions, where students have failed to provide prior notification to the Finance Department.

- A charge of £50 will be levied against a student's account if any direct debit instruction is cancelled without notifying the Finance Department.
- A charge of £50 will be levied against a student's account if a payment is not honoured (e.g. through lack of funds at the time).
- A charge of £50 will be levied for failure to pay each tuition fees instalments when they become due.
- A charge of £50 will be levied for failure to pay each accommodation fee instalments when they become due.

Query or dispute of additional charges

In the event of a query or dispute in relation to any additional charges levied, the student should contact the Finance Department on 01905 855125 / 01905 542474 / 01905 855115 or creditcontrol@worc.ac.uk

Allocation of payments

Please note any payments made to the account will be allocated to any additional charges first and then to the oldest debt.

DEBT MANAGEMENT PROCEDURES

If any student falls into arrears with any fees or charges, the University will take steps to recover the debt.

1) TUITION FEES – SELF FUNDING

Finance staff will issue a reminder (Day 1) to the student that they have missed a payment due date and that the amount due needs to be paid within 7 calendar days. This might result in the arrears being cleared by payment by the student or there might be an agreed payment plan to re-schedule the remaining amounts due.

If the amount still remains outstanding on the 7th day the Finance Department will arrange for the student's access to ICT facilities to be withdrawn. These will only be reinstated once the arrears have been cleared in full or an agreement has been reached to re-schedule the remaining amounts due.

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 asking them to arrange a meeting at Firstpoint in order to discuss the arrears.

If the student fails to arrange an appointment within 7 calendar days and the debt still remains outstanding the Finance Department will send a third reminder (Day 28) to the student informing them that the debt has not been cleared and they are issued with an official withdrawal letter giving 30 days before they are deemed withdrawn . 'Deemed withdrawn' means that the student may be permanently removed from their studies at the University.

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 60) to the student.They will be referred to the University debt collectors which may lead to legal action being taken against them. Such action may lead to a County Court Judgment being registered and Bailiff's 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 overdue and ICT removal within 7 calendar days if payment not received
Day 7 overdue	ICT removed
Day 14 overdue	Reminder issued to make appointment at Firstpoint
Day 28 overdue	Reminder sent to student advising withdrawal proceedings to commence
Day 60 overdue	Student withdrawn and Letter issued to advise of pending legal action and referral of debt

2) ACCOMMODATION FEES

Finance staff will issue a reminder to the student 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 14 calendar days. This might result in the arrears being cleared by payment by the student or there might be an agreed payment plan to re-schedule the remaining amounts due.

If the amount still remains outstanding after 14 calendar days the Finance Department will send a second reminder to the student asking them to arrange a meeting at Firstpoint in order to discuss the arrears.

If there is still no response, the student will be notified that if the debt is not paid in full within the next 7 calendar days a pending Notice of Eviction will be issued. The student

is notified that they may be asked to leave their accommodation and that legal action may be taken against them.

If there is still no response a Notice of Eviction will be issued by the Residential Services Team giving the student 28 calendar days to leave their accommodation.

If after Eviction there is still no response the Finance Department will issue a further reminder and the student will be referred to the University debt collectors which may lead to legal action being taken against them. Such action may lead to a County Court Judgment being registered and Bailiff's 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 14 calendar days to pay
Day 14 overdue	Reminder issued to student to make an appointment at Firstpoint
Day 21 overdue	Letter sent advising of pending notice of eviction
Day 28 overdue	Eviction notice given
Day 60 overdue	Letter issued to advise of pending legal action and referral of debt

3) STUDENT FUNDING BY SLC FEES

If a student has chosen to apply for funding for tuition fees for the current academic year they must supply a student support number and payment schedule to the University. If they have applied for Student Loan Company 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 required to provide relevant payment details in case they fail to receive funding and are required to self-fund.

If the University has not received confirmation by **31st December** that the student's fees will be paid through the SLC, payment of the tuition fees will become the student's responsibility and payment must be made. 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.**

Summary of procedure for students applying for student finance

Mid October by Email	Reminder issued by Finance Department advising still awaiting confirmation of Student Support Number and payment from SLC , also reiterating that if no funding is approved by December 15th payment will be taken on the 10 th January directly from student.
November by Letter/Email	Two reminders issued to students to advise still no Student Support Number issued and ICT will be blocked beginning of December and payment will be taken 10 th January directly from student.
Early December by Letter/Email	Letter sent to advise no Student Support Number and confirm advance notice details of direct debit and or credit/debit card confirmation.
Mid January by Letter/Email	Withdrawal proceedings letters sent to any students without SLC funding and who have failed to make the 1 st self funding instalment.
March	Letter issued to advise of pending legal action and referral of debt

Please note 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 in accordance with the refund details below.

4) PAYMENTS ON ACCOUNT

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.

5) EXCEPTIONAL FEE PAYMENT ARRANGEMENTS.

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 you default on an agreed instalment plan then the full balance will become immediately due.

6) DEFAULT OF AN INSTALMENT PLAN

If payments have been scheduled to be made via Direct Debit/Credit Card (or any other instalment plan) and an instalment is missed, the full debt will become due immediately.

7) OUTSTANDING DEBT

Students will not be allowed to re-enrol for the next year of their studies whilst they have an outstanding tuition fee debt with the University.

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, their re-enrolment will be suspended, until such time as they have contacted the University Finance Department and a mutually suitable payment arrangement has been agreed.

Please note if a payment arrangement for previous debt is defaulted on then legal action will be taken immediately thus effecting credit rating and resulting in additional charges and costs.

Students with any on-going legal action may be declined a place to study at the University.

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.

8) GRADUATION

Students in their final year must make full settlement of tuition fees to the University by 31st 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.

9) WITHDRAWAL FROM THE UNIVERSITY

Please note, Withdrawal/Suspension of studies may affect your entitlement to University Financial support including bursary payments. Please refer to your SOLE for more information on withdrawing and the costs and implications for fees and other items or visit www.worcester.ac.uk

10) FORMER STUDENTS

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) CONTINUING STUDENT DISCOUNTS

Current or ex-University of Worcester students going onto Masters programmes, may be eligible to a discount in tuition fees please visit the Alumni information www.worcester.ac.uk

Applicants with any gap in study are advised to talk to the Finance Department to confirm their eligibility to receive the discount.

12) REFUNDS

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.

13) APPEALS

If a student has a complaint regarding a decision concerning payment of fees or any other debt with the University, they should contact the Deputy Director of Finance in writing or by email creditcontrol@worc.ac.uk

14) REVIEW OF POLICY

The Debt Management Policy will be reviewed by the Director of Finance each year.

CONTACTS

creditcontrol@worc.ac.uk for all payment queries
01905 855115/855125/542474/542703

salesledger@worc.ac.uk for any invoice queries
01905 855129/01905 542047

firstpoint@worc.ac.uk
01905 542551

for queries and appointments

suadvice@worc.ac.uk
01905 543210

for support understanding the policy

Equality Impact Assessment (Equality Analysis) completed	<i>25/08/2016(Account Receivable Manager)</i>
	<i>25/08/2016</i>
Approval Authority	<i>Director of Finance</i>
Date of Commencement	<i>25/08/2016</i>
Amendment Dates	
Date for Next Review	<i>01/06/2017</i>
Related Policies, Procedures, Guidance, Forms or Templates	
Policies/Rules Superseded by this Policy	