



**BOURTON MEADOW EDUCATION
TRUST**

**Bourton Meadow Academy ITTC
Debt Recovery Policy**

This policy will be reviewed annually by the Directors

Bourton Meadow Academy ITTC

DEBT RECOVERY POLICY

The Bourton Meadow Academy ITTC (BMITTC) debt recovery policy will observe the relevant financial regulations and guidance set out in the National College for Training and Leadership (NCTL) Financial Handbook and any other legal requirements.

The Directors have determined acceptable credit settlement periods before the debt recovery procedures are applied. The Academy will take all reasonable measures to vigorously collect debts as part of its management of public funds. A debt will be written off only after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it.

1.Credit Settlement Period

In the case of ITTC tuition fees that are to be paid by way of a student loan, tuition fees are paid in 3 instalments in line with the Student Loan Company (SLC) payment loan schedule. The Head of Training ensures all tuition fee trainees have successfully secured a student loan to cover the full amount of the tuition fee prior to the start of the course. If a student loan is not secured in time, trainees will be required to pay the first instalment from private funds. This money will be reimbursed on receipt of the appropriate funds from the SLC. A flexible approach will be taken where difficulty in setting up the student loan is encountered.

Invoices are issued at the beginning of each term for any trainees wishing to pay the fees from private funds (as per the published payment schedule). The acceptable credit settlement period is 30 days.

2.Management and Monitoring of outstanding debt levels

The Head of Training confirms registration/attendance to the SLC, which enables the funds to be released. Remittance reports will be obtained from the SLC after each payment date.

With regards to fees paid from private funds, the Finance Manager will produce an aged debtor report, where necessary, to identify debts that require action to recover the debt. The debt recovery procedures will be applied where any invoice becomes overdue for payment.

3.Debt Recovery Procedures

Where fees are paid from private funds, it will be necessary to prove all reasonable attempts have been made to recover the debt if action is to proceed further and, therefore, records will be kept of measures taken.

The following procedures will be applied.

- Initial overdue payment reminder

An initial reminder will be sent by way of a letter signed by the ITTC Head of Training.

- Overdue payment letter

This formal letter will state that if payment is not received by the end of the current term they will not be permitted to continue with the training. The letter will be signed by the ITTC Head of Training.

At this stage the debtor may be invited to meet the ITTC Head of Training to discuss repayment proposals. The possibility of negotiating repayment in instalments, where appropriate, will be considered. If an agreement is reached, a letter confirming the agreed terms for repayment will be issued to the debtor and will be retained in the records. In the event the debtor does not adhere to the agreement then repayment in full will be requested.

- Failure to respond and/or settle a debt

If there is no response and the debt remains outstanding, the trainee will not be permitted to attend school and sessions. BMITTC will not make any recommendations for QTS (qualified teacher status) with the NCTL until all outstanding debts are settled.

- Legal action

The Academy employs the services of a Solicitor to deal with outstanding debts where repayment and/or contact have not been forthcoming. Consideration to take legal action will be at the discretion of the Directors.

4.Reporting of outstanding debt levels

The Head of Training will report any outstanding debts to the Directors.

1. In the event the debtor is unable to repay

The Academy may reduce or write off a debt on their individual merits in certain exceptional circumstances.

- Cost – where recovery of the debt would cost more than the debt itself.
- Loss of contact – in cases where there is loss of contact.

5. Write off of bad debts

The write-off of any debt up to £10 can be agreed by ITTC Head of Training. The write-off of any debt above this figure up to £500 can be agreed by the ITTC Head of Training or the Executive Head. The write-off of any debt above this figure will require the written approval of the Directors.

A record of the write off, the reason for it and the approval of it will be retained for the records.