

Student Debt Policy and Procedure

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Date approved: September 2020
 Approved by: SMT
 Responsible Manager (s): Financial Controller
 Executive Lead: Chief Operating Officer

Applicable to staff:	Yes
Applicable to students:	Yes
Accessible to students:	Yes
Accessible to general public: (including clients)	Yes

Consultation

Consultation undertaken with:		Date:
• SMT	Yes	Sept 2020
• AMT	Yes	Aug 2020
• CCMT	Yes	Aug 2020
• Students	Yes	Aug 2020
• Employee representatives (<i>HR related policies only</i>)	NA*	
• Other	NA*	

* *please delete as appropriate*

Policy review frequency every 2 years
 (Please delete as appropriate)

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1. Scope and purpose of policy

This document specifically relates to academic debt. Academic debt is defined as tuition fee liability and examination re-sit fees where applicable.

This document details Blackpool and The Fylde College (B&FC) expectations and procedures for the collection of academic debt owed by any student or former student of B&FC, which thus enables B&FC to treat all students fairly.

The purpose of this document is to clearly explain in a transparent and accessible way B&FC's approach to outstanding academic debt and what steps students should take to avoid recovery action.

2. Policy statement

In order to safeguard the high standards of learning and teaching through ongoing investment and good financial management, it is important that B&FC can collect monies owed to it. B&FC will therefore make every reasonable effort to ensure that monies owed are collected in a reasonable and fair manner.

Whilst this Policy sets out the timescales for payment and sanctions for non-adherence, B&FC recognises that, in some circumstances, students may face financial hardship which will impact on their ability to pay. B&FC takes the welfare of its students seriously and can offer a variety of guidance, support and assistance and will do so as appropriate. Should any student find themselves in financial difficulty, it is imperative that they contact their Head of Curriculum who can direct them to advice and support within B&FC.

2.1 Collection of Fees & Payment Terms

All students are solely responsible for their obligation to pay their agreed tuition fees (academic debt) to B&FC

2.2.1 Student Finance England Tuition Fee Funding

Where a student is relying upon tuition fee funding from Student Finance England by way of a Higher Education or Advanced Learner Loan, the student themselves must ensure they meet the requirements of Student Finance England.

Should a student fail to secure tuition funding from Student Finance England, that student must notify B&FC immediately in order to agree an alternative payment arrangement. Failure to do so could result in withdrawal of services and B&FC implementing debt recovery procedures.

2.2.2 Self- funding

Where a student enrolls on the basis that they will self-fund, a payment plan will normally be agreed with the student at the point of enrolment. It is then the responsibility of the student to adhere to the agreed payment plan.

Should the student fail to adhere to make the agreed payments it is the student's responsibility to notify B&FC immediately. Failure to do so could result in withdrawal of services and B&FC implementing debt recovery procedures.

2.2.3 Sponsored students

A student is classed as a sponsored student if they are funded by their employer, government or any other recognised organisation. Parents, guardians, family members or friends cannot be classed as sponsors.

Where a student has confirmed that they will be funded by a sponsor. It is the student's responsibility to provide proof of sponsorship at the point of enrolment in order for B&FC to invoice the sponsor directly.

In the event of a sponsor failing to meet their financial obligations, a student will be offered the opportunity to source alternative funding to cover the outstanding fees if they wish to continue with their programme of study. If no alternative funding can be arranged B&FC will decide whether a student may continue with their studies.

Recovery of sponsorship debt will be recovered in line with B&FC Tuition Fee Payment Policy www.blackpool.ac.uk/college-policies

3. Fees collection process.

Tuition fee debt will be calculated in line with B&FC Tuition Fee Payment policy. Correspondence relating to outstanding academic debt will be sent to all of the following contact details:

1. Student email address
2. Personal email address
3. Local postal / term time address (if applicable)
4. Registered home postal address

In circumstances where a student has failed to meet their financial obligations to B&FC, the following debt recovery process will start:

Days (from due date)	Action
Up to 7 days after default	Letter 1 A first debt letter is sent to the student's contact details advising the student that the debt remains unpaid, stating the outstanding academic debt and asking the student to contact the credit control team to discuss repayment.
Up to 14 days after first letter	Letter 2 A second letter is sent to the student's contact details reminding the student that the debt remains unpaid, who to contact and next steps should a resolution not be agreed by credit control within 7 days. Failure to respond or arrive at a resolution will result in referral to a third Party Debt Management Agency.

Implications for non-payment of academic debt

Whilst the academic debt remains unpaid the following sanctions can be applied:

- **Withdrawal of programme of study**

Where the academic debt remains unresolved B&FC reserves the right to withdraw the student from their programme of study. In such cases a student would not be able to attend classes or access B&FC's facilities.

- **Documentation, awards and ceremonies**

Certificates may be withheld where the awarding body is not a member of JCQ. Students with outstanding debt may not be entitled to receive any awarding body letters of commendation, or be nominated for any B&FC internal award until the debt is resolved. Higher Education students with any outstanding academic debt will not normally be permitted to attend the graduation ceremony or graduate from B&FC.

- **Referral to third party debt management agency**

B&FC reserve the right to refer outstanding academic debt to a third party debt management agency, who will contact the student or their sponsor directly. If still unresolved B&FC may then refer the instance to the County Court.

- **Referral to County Court**

If B&FC refer the case to County Court, it will usually seek to recover all related costs in addition to the unresolved debt balances. This may result in a County Court Judgement (CCJ) being registered and could adversely affect the individual's credit rating.

- **Progression and readmission to study**

Students with outstanding academic debt will be required to agree a resolution with B&FC before an offer of progression or readmission can be confirmed.

4. Alternative payment arrangements (Payment Plans)

If a student can evidence that they are unable to meet their agreed financial obligations, B&FC may consider payment plans to support the continuation of their studies. However, B&FC reserves the right to decline or withdraw an agreed payment plan at its discretion.

4.1 Instalment plans by direct debit and other agreed payment methods

Normally, a direct debit will be required to be set up using the bank account details provided at the point of enrolment and payment will be collected on or around the agreed date. Confirmation of the payment plan will be sent to the student once the plan has been processed. Further information regarding B&FC payment plans can be found under the B&FC Tuition Fee Payment Policy www.blackpool.ac.uk/college-policies

As above, the dates are "due by" dates and are not normally adjustable. However, B&FC may agree to an amendment in certain circumstances. Cases for adjustment

must be made to the credit control team creditcontrol@blackpool.ac.uk and will be considered on an individual basis. The student may also be required to provide supporting evidence within 10 working days where a request for an adjustment has been made.

4.1.2 Direct Debit Mandates

Following notification that an agreed direct debit payment has not been paid, B&FC will contact the student. The steps to resolve will depend on the reason for failure as defined below:

- **Insufficient funds** – B&FC will advise that it will attempt to re-collect the instalment on a specified date.
- **Mandate cancelled** - In the event that a mandate is cancelled by the student without prior notice, debt collection procedures will start and the student may not be permitted to attend classes or access B&FC resources.

4.2 Other agreed payment methods

A reminder will be sent to the student by email approximately one week before the due date highlighting that the instalment is about to become due for payment.

4.3 Additional Administration Fees

In addition to the administration fees applied for non-payment of tuition and payment plans, as detailed above, B&FC reserves the right to apply the following charges:

- £25 per returned cheque payment.
- £25 per stopped cheque.

5. Calculation of tuition fee liability

5.1 Tuition Fee Liability - Withdrawal of services

A student will continue to be charged tuition fees until such time as a request to withdraw is submitted through the B&FC automated withdrawal system. The decision to submit a withdrawal request for non-payment of tuition fees lies with the Head of Curriculum and is subject to due diligence checks with the credit control team to ensure that the fee collection process has been implemented correctly and that there are no circumstances that may prevent withdrawal.

The student's last recorded date of attendance will be the date used when calculating a final fee liability.

5.2 Procedure after withdrawal from study is confirmed

Once a student's withdrawal status has been updated on the Student Record system, a final fee liability will be calculated. Any adjustments can take up to 4 weeks to be reflected on the B&FC student account. B&FC is also obliged to inform Student Finance England via a change of circumstance report where it is appropriate to do so and this may affect other applications for maintenance loans or grants.

5.3 Refunds

Refunds will be made in accordance with the B&FC Refund Policy

www.blackpool.ac.uk/college-policies B&FC reserve the right to deduct any non-academic debt outstanding from any refund due.

6. Accountability

It is the responsibility of:

- the student to:
 - ensure that they can meet the requirements of their financial agreement with B&FC
 - openly communication with B&FC relating to the payment and/or non-payment of fees
- the Accounts Receivable Supervisor within the credit control team to
 - agree instalment plans and to administer the fee collection process
 - provide Heads of Curriculum with regular updates on any outstanding Student Debt within their curriculum area
- the Head of Curriculum Area to submit the automated withdrawal request and communicate withdrawal to the student
- the Financial Controller to
 - consider applications to change agreed payment terms
 - authorise referral to debt recovery for non-payment of academic debt
- the Student Administration Manager to update EBS including alerts to prevent student progression and enrolment on other programmes of study until outstanding debt(s) are resolved

7. Student Involvement

Students must ensure that they have an acceptable method of payment, and adequate funds available to pay their fees. If for any reason a student is unable to honour their payment obligations they must contact the credit control team in Finance creditcontrol@blackpool.ac.uk as soon as possible.

8. Right of Appeal - Withdrawal from Programme of Study

The purpose of this stage is to allow the student to add any mitigations that were not communicated at the point of withdrawal from the programme of study. The student may appeal against the decision in writing to the Chief Operating Officer within 14 days of receiving written notification of intent to withdraw.

During this time, the student will not be permitted to attend B&FC until the appeal has been resolved. An appeal can only be made on the following grounds:

- i. There are mitigating circumstances or evidence which were not made known to the Head of Curriculum at the time of withdrawal
- ii. Unfair discrimination is alleged.

iii. The correct procedure was not followed.

Students who wish to appeal the withdrawal of services due to non-payment of academic debt may write to the Chief Operating Officer who will review the written appeal together with any other associated evidence or documentation. After consideration of the Appeal, the Chief Operating Officer may:

i. Approve the earlier decision

ii. Replace the earlier decision with a more appropriate resolution.

The Chief Operating Officer will inform the student of a decision at the appeal hearing or within five working days in writing.

9. Linked policies

- B&FC Terms and Conditions
- Student Learning Agreement / Contract
- Financial Regulations, Policies and Procedures
- Tuition Fee Payment Policy
- Refund Policy
- Late Returns and Fines Policy
- Compliments, Complaints and Feedback Policy

10. Linked procedures

- Financial Policies & Procedures
- Late Returns and Fines Procedures
- Compliments, Complaints and Feedback Procedure

11. Impact Assessment

Impact Assessment for the 4 strands of Equality, Safeguarding, Health and Safety and Sustainability	
Initial Form to be completed with Risk Assessments or as part of a proposal or change to a policy, plan or new way of working	
Title of Activity: Student Dent Policy Author and Date: Financial Controller August 2020	<input checked="" type="checkbox"/> New or <input type="checkbox"/> Revision Please tick as appropriate Expected Implementation Date: September 2020 What is the review date? September 2022
Equality and Diversity. Which of the characteristics maybe impacted upon? And, if yes, how has this been considered? What are the risks? What are the benefits?	This Policy has mitigation in place on an individual basis for those who may be disadvantaged by financial hardship. Such disadvantage could include social and other vulnerabilities
Safeguarding: Are there any aspects of this proposal which could cause a learner/member of staff/visitor to feel unsafe? If yes, how has this been considered? What are the risks? What are the benefits?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Health and Safety: Have any risks been identified? If yes, how has this been considered? What are the risks? What are the benefits?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Sustainability: Are there expected benefits or impacts on sustainability issues? If yes, how have these been considered?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Evidence: What evidence do you have for your conclusions and expectations for these conclusions? How will this impact be monitored for all these considerations?	
Is this policy of a high/medium or low risk? :	<input type="checkbox"/> High <input type="checkbox"/> Medium <input checked="" type="checkbox"/> Low