



HOUGHTON REGIS TOWN COUNCIL

Late Payment & Bad Debts Policy

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1.0 INTRODUCTION

- 1.1 This policy outlines the Council's procedures for dealing with late payments and outstanding accounts (bad debts) in accordance with Financial Regulation No.13.3.

2.0 POLICY

- 2.1 All accounts due will be collected in accordance with Financial Regulation No. 13.1 and any sums found to be irrecoverable, or any subsequent bad debts shall be reported to Town Council.

Overdue accounts and bad debts shall be treated in the following manner:

- (i) Customers with outstanding accounts at 90 days shall be passed to a registered debt collector following a final seven day warning at the discretion of the RFO or appropriate Officer of the Town Council.
- (ii) Any bad debts that cannot be recovered shall be referred to Town Council for authorisation to be written off or for authorisation to make arrangements to collect the debt in other ways.

3.0 CREDIT CONTROL

- 3.1 Invoices are raised and reminders sent at 30, 60 and 90 day intervals.
- 3.2 After 90 days, a letter is sent by recorded delivery to the debtor advising that if no payment is made within 7 days, the debt will be passed to a debt collector for recovery.
- 3.3 In some instances, specific debts will be reported to the Corporate Services Committee prior to being passed to the debt collector.
- 3.4 Where the debt collector is unable to secure payment, the debt will be referred to Town Council.

4.0 PAYMENT COLLECTION

- 4.1 The Council receives income from the following sources:
- Agency services
 - Advertising
 - Cemetery fees
 - Allotment fees
 - Use of office facilities
 - Sport bookings
 - Venue hire
 - Use of Recreation Grounds
 - Sponsorship

4.2 Agency services

Regular work

Invoices to be sent out at beginning of financial year on receipt of customers purchase order. Payment required within 28 days. Statements to be issued monthly. Report to Council if payment not received within 90 days of invoice.

Ad hoc work

Work to be completed on receipt of official order. Invoice to be sent on basis of order after work completed. Statements to be issued monthly. Report to Council if payment not received within 90 days of invoice.

4.3 Advertising

Invoice to be sent on receipt of order. Payment required within 28 days. Statements to be issued monthly. Report to Council if payment not received within 90 days of invoice.

4.4 Cemetery fees

Invoice to be sent on receipt of order. Payment required within 28 days. Statements to be issued monthly. Report to Council if payment not received within 90 days of invoice.

4.5 Allotment fees

Invoice to be sent on receipt of signed tenancy agreement, annually thereafter. Payment required immediately for new tenants. Payment required within 28 days for annual rent. Tenant to contact the Clerk to arrange payment plan if required. Statements to be issued monthly. Report to Council if payment not received within 90 days of notice.

4.6 Use of office facilities (photocopier etc)

If required invoice to be sent on receipt of order. Payment required within 28 days. Statements to be issued monthly. Report to Council if payment not received within 90 days of invoice.

4.7 Cricket bookings

Regular / seasonal bookings

Invoice to be sent at beginning of the season for payment for full season. Payment required within 28 days. Statements to be issued monthly. Clubs to contact Clerk to arrange payment plan if required. Report to Council if full payment not received within 90 days of invoice or if agreed payment plan not honoured.

Ad hoc bookings

Invoice to be sent on receipt of order. Payment required before date of event. Booking to be denied should payment not be received in advance.

4.8 Venue hire

Regular bookings

Clerk to determine suitable invoicing dates depending of nature of booking. Payment required within 28 days. Statements to be issued monthly. Hirer to contact Clerk to arrange payment plan if required. Report to Council if full payment not received within 90 days of invoice or agreed payment plan not honoured.

Ad hoc bookings

Invoice to be sent on receipt of order. Payment required before date of event. Booking to be denied should payment not be received in advance.

New regular bookings

Invoice to be sent on receipt of order. Payment required before commencement of hire for a period to be determined by the Clerk (to be dependent on the nature of hire). Booking to be denied should payment not be received in advance.

4.9 Use of Recreation Grounds (e.g. Fair & Circus)

Payment required with deposit on submission of booking form. Booking to be denied should payment not be received in advance.

4.10 Sponsorship

Invoice sent on receipt of agreement. Payment required 28 days prior to the event or publication to which the sponsorship applies.

5.0 REVIEW

5.1 This policy will be reviewed annually by the Corporate Services Committee.