Lydiard Millicent Parish Council
Credit Control & Debt Collection Policy

Introduction

This Policy has been prepared to formally recognise the procedures of Lydiard Millicent Parish Council for dealing with late payments and outstanding accounts (bad debts) in accordance with Financial Regulation no. 13.3

Policy

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 the Council in accordance with Financial Regulation No. 13.3.

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 subject to the Registered Debt Collection (RDC) Procedure - see Credit Control (iv).

(ii) Any bad debts that cannot be recovered by a Registered Debt Collector shall be referred to the Council for authorisation to be written off, or for authorisation to make arrangements to collect the debt in other ways.

Credit Control

(i) Invoices are raised, statements and reminders sent at 30, 60 and 90-day intervals.
(ii) 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.
(iii) In all instances, specific debts will be reported to the Council prior to being passed to the Debt Collector - see RDC procedure below.
(iv) The RDC procedure is to set a threshold of debt i.e. max £500 to utilise a Debt Collector with a set fee limit i.e. 10% of debt.
(v) Where the Debt Collector is unable to secure payment, the debt will be referred to the Council for alternative legal remedy and bad debt write off.

Payment Collection

The Council receives income from the following sources:

- Burial ground fees
- Sport bookings
- Land rent
- Use of Sports/Recreation grounds for events
- Hire of the Jubilee Club House main hall

Burial Ground and Memorial fees

Invoice to be sent on receipt of order. Payment required within 30 days. Statements to be issued monthly. The Clerk to report to Council, if payment is not received within 60 days of invoice and issue late payment letter to Funeral Director/Stonemason with statement. At 90 days it shall be passed to the Debt Collector following a final seven-day warning.

Sport bookings:

<u>Regular / Seasonal Bookings</u>

Invoice to be sent monthly in arrears for all games played during the previous month. Payment required within 30 days and statements to be issued monthly. Clubs to contact the Clerk, to arrange payment plan if required. The Clerk to report to Council if full payment is not received within 60 days of invoice, or if agreed payment plan is not honoured. Late payment letter to be issued. If payment not received within 90 days of invoice, use of sports facility should be withdrawn.

Regular Bookings – Jubilee Club House
Invoice to be sent monthly in arrears for bookings in the previous month. Payment required within 30 days and statements to be issued monthly. The Clerk to report to Council, if full payment not received within 60 days of invoice or if agreed payment plan not honoured. Late payment letter to be issued. If payment not received within 90 days of invoice use of the facilities shall should be withdrawn.

Ad Hoc Bookings – Jubilee Club House
Requests considered on individual basis. Invoice to be sent on receipt of booking. Payment required before date of event. Booking to be denied should payment not be received in advance. Fee to be determined by Council.

Annual Land Rent
Invoices to be sent out a month prior to lease commencement date. Payment required within 30 days and statements to be issued monthly. The Clerk to report to Council if full payment not received within 60 days of invoice, and late payment letter to be issued. If payment not received within 90 days of invoice, send a final letter before seeking legal action or passing to a Debt Collection Agency.

Monthly Land Rent
Invoices to be sent out on each monthly anniversary of the lease agreement. Payment required within 30 days and statements to be issued monthly. The Clerk to report to Council if full payment not received within 60 days of invoice, and late payment letter to be issued. If payment not received within 90 days of invoice, send a final letter before seeking legal action or passing to a Debt Collection Agency.

Use of Sports Field for Events
Requests considered on individual basis. Payment required in advance on submission of booking request. Booking to be denied should payment not be received in advance.
Fee to be determined by Council.

Date Approved by Council: 2 July 2026
Date for Review: July 2031