

# Student Debt Management

## 1.0 Introduction

The University of Northampton (UON) is a Higher Education institution and follows a Student Debt Management Policy to clearly outline how debts are managed and what procedures are used to recover any overdue monies owed to UON.

This policy applies to all courses and modules where UON collects academic fees, accommodation fees and other non-academic fees owing to UON. Partner organisations collecting fees on behalf of UON may operate a different policy as agreed within their formal arrangements with UON.

## 2.0 Ownership

This policy is managed by the Credit Control team and owned by the Department of Finance and Planning on behalf of UON.

## 3.0 Organisational Scope

The Debt Management policy applies to all students and commercial customers of UON.

## 4.0 Policy Statement

This Policy's objectives are as follows:

- To ensure prompt payment of any fees due to UON and minimise the amount of unpaid fees or late payments fees charged to students following their enrolment at UON.
- To outline clearly when payments are expected to be made to UON.

- To provide a clear understanding of the actions UON may take to recover any outstanding invoices deemed to be overdue and outside the terms of the original expected payment dates.

## **5.0 Key Principles**

This policy has been designed to show how UON expects Students to pay all fees due following their enrolment, to outline any potential consequences of non-payment, and detail any action the University may take if invoices are not paid within the agreed payment terms.

## **6.0 Procedure – Debt Management Policy**

### **6.1 Payment Terms**

All students must pay their tuition fees in full, within 28 days of the invoice due date or instalment due date. Payment can be arranged for home students via the online e-payment facility, credit or debit cards, bank transfer or any other agreed electronic payment system. International students must arrange payment via the online e-payment facility. Payments by instalment will be arranged using a recurring debit or credit card payment.

The student will be liable for any other associated costs incurred over and above the debt including any administration costs incurred by UON and any third-party costs including commission, interest and court costs.

All payments made to UON in respect of student fees, fines and other charges must be made in pounds sterling unless contractually agreed otherwise. 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 UON.

### **6.2 Tuition Fees**

Detailed guidance on the setting and management of tuition fees may be found in the Tuition Fees Policy at [www.northampton.ac.uk/student-life/new-students/finances/](http://www.northampton.ac.uk/student-life/new-students/finances/).

Tuition fees become due on the first day of the programme to study. For full-time undergraduate students with Student Loan Company (SLC) funding, tuition fees will be received by the University directly from the SLC in three instalments.

### **6.2.1 Self-Funding Full Time Home/EU Undergraduate Students**

All students not covered by Student Loan Company arrangements are required to pay a minimum of 50% of fees before enrolment and the remaining 50% three months later.

### **6.2.2 Self-Funding Part Time Home/EU (Undergraduate, Postgraduate and Distance Learning) Students**

Students not receiving a SLC postgraduate loan are required to pay 50% of gross annual tuition fee (before any reductions) on or before enrolment and the remaining 50% three months later.

### **6.2.3 Postgraduate and Distance Learning Students with a Postgraduate Loan from the SLC**

Postgraduate and distance learning students with funding from the SLC can either pay 50% of gross annual tuition fee (before any reductions) on or before enrolment and the remaining 50% three months later or they can pay over three instalments to coincide with receipt of funds from the SLC for their postgraduate loan.

Students paying over three instalments must register details of a valid debit or credit card on enrolment, three instalment payments will be taken to coincide with payments to the student from the SLC. Any student failing to successfully pay the first instalment within 60 days of enrolment will be terminated without further consideration.

### **6.2.4 Full Time Undergraduate and Postgraduate International Students**

International Students (Undergraduate or Postgraduate) studying full time are required to pay £7,000 of the gross annual tuition fee (before any reductions) prior to enrolment at the University, followed by two instalments at the beginning of terms two and three.

### **6.2.5 Part Time or Distance Learning International Students**

International Students (Undergraduate or Postgraduate) studying part time are required to pay a minimum of 50% of their tuition fee before enrolment and the other 50% three months later or they have the option to pay in full.

### **6.2.6 Payment by Sponsor**

Sponsored students are required to provide evidence of their sponsorship before or at the time of enrolment, so that the sponsor can be invoiced. Once a sponsor has been invoiced, payment is required 28 days from the date of the invoice. If the invoice is unpaid after one month, the student will be contacted to request that they chase payment from the sponsor. If a sponsor fails

to make payment, the sponsor invoice will be cancelled and any / all of the outstanding tuition fee will be charged to the student, the student will be liable for finance sanctions, including stopping access to learning facilities. The student will remain liable for tuition fees until the sponsor has fully paid the amount outstanding.

### **6.2.7 Remission or alteration of fees or payment schedules**

It should be noted that only the Director of Finance and Planning is empowered to vary fees or agree payment schedules with students on behalf of UON. All decisions on fees and payment related matters must be referred to the Finance Department for consideration before any advertising of a scheme or offer is made to a student.

### **6.3 Tuition Fees - Consequence of late or non-payment**

If tuition fees are not paid in line with the terms outlined in this policy, UON will take several courses of action to recover any funds that are overdue for payment.

#### **6.3.1 Interview**

If tuition fees are still unpaid four weeks after the end of the 28-day payment terms, or if an instalment is overdue, the student will be offered an interview with a member of the Credit Control team. If the student is in genuine difficulty with payment, the Credit Control team will try to agree a repayment plan that is affordable but is also acceptable to the University. The student will be required to pay the agreed instalments until the outstanding fees are cleared in full.

#### **6.3.2 Sanctions imposed for non-payment of tuition fee debts**

##### **Withdrawal of student facilities.**

Students who have not paid or made a satisfactory agreement with the Credit Control team will not be able to access any academic facilities within UON, this includes physical access to on-site classes, Library facilities and IT learning facilities\*. Please note that this restriction is in place to encourage students to contact the Credit Control team to discuss payment options. If no contact is made with the Credit Control team within 1 week of the sanction being applied the Credit Control team will contact the Programme Leader, the Faculty Manager and International Student Support Services (International students only) to engage with the student. The Credit Control team will notify the student via e-mail informing them financial sanctions have been applied and explain the consequences of these sanctions.

\*Restrictions to IT facilities includes access to NILE, which may impact on the student's ability to submit assessments, possibly resulting in lower grades and/or the requirement to re-sit/resubmit work at a later date.

### **Students on Placement**

If a student is on placement when financial sanctions are applied, they will be allowed to continue with their placement however they will be unable to submit their placement report resulting in their module being incomplete. This module will remain incomplete until payment is made in full or a satisfactory agreement is made with the Credit Control team.

### **Examination results**

Students who have not paid or made a satisfactory agreement with the Credit Control team will not be able to obtain their examination results.

### **Graduating Students**

Students who have not paid or made a satisfactory agreement with the Credit Control team and have an outstanding tuition fee debt to the University will be able to attend their graduation ceremony **but not be entitled to obtain** their qualification certificate or a transcript of studies until payment is made in full.

### **Exclusion from re-enrolment**

Students who have not paid or made a satisfactory agreement with the Credit Control team and have an outstanding tuition fee debt to the University will not be able to re-enrol at the University until payment is made in full.

### **Referral to external debt collection agency**

The University reserves the right to pass any long outstanding debts to an external debt collections agency.

Any debt to UON that remains unpaid will be reviewed by the Credit Control Team Leader and if deemed necessary, passed to an external debt collection agency for collection through legal procedures. Any additional costs incurred will be payable by the student.

This referral may affect the future credit rating of the student.

## **Withdrawal of student registration with the University**

Continued failure to engage with the University's credit control processes regarding overdue tuition fee debts or continued failure to repay overdue tuition fee debts may lead to the withdrawal of the student's registration with the University in the current study year, leading to non-completion of the student's study course.

### **6.4 Accommodation Fees**

#### **6.4.1 Payment of fees and due date**

Accommodation fees will be invoiced when the student attends their first day of university or enters halls of residence (whichever date is earlier). Fees will be payable in three termly instalments unless the student wishes to pay the fee in full on or before their first day attending the University.

#### **6.4.2 Payment by instalments: Accommodation fees.**

Arrangements can be made to pay for accommodation via termly instalments. These will be collected using a recurring debit or credit card payment arrangement. Instalments must be paid as specified and the collection dates of each instalment will be set with reference to the due date of maintenance loans from the SLC. Payments not collected successfully from the recurring card payment process will be referred to the Credit Control team for collection.

#### **6.4.3 Accommodation Fees - Consequence of late or non-payment**

If accommodation fees are not paid in line with the terms outlined in this policy, UON will take several courses of action to recover any funds that are overdue for payment.

### **Interview**

If an instalment payment is not collected, the student will be offered an interview with a member of the Credit Control team. If they are in genuine difficulty with payment, the Credit Control team will try to agree a repayment plan that is affordable but is also acceptable to the University. The student will be required to pay at the agreed rate until the outstanding fees are cleared in full.

#### **6.4.4 Sanctions imposed for non-payment of accommodation fees**

### **Halls of Residence**

Students with accommodation debts are not allowed to return to halls of residence in future years until payment is made in full and any debts are cleared. Existing debts will continue to be

chased internally and via debt agencies until repaid regardless of whether the student returns to continue their studies in the following year. Any key or damage deposit held on behalf of the student will be used to offset the remaining debt.

### **Referral to external debt collection agency.**

Any debt to UON that remains unpaid will be reviewed by the Credit Control Team Leader and if deemed necessary, passed to an external debt collection agency for collection through legal procedures. Any additional costs incurred will be payable by the student. This referral may affect the future credit rating of the student.

### **Eviction from University Accommodation**

Continued failure to pay overdue accommodation debts may result in eviction proceedings being taken against the student in the current year of study in which the debt is due.

### **6.5 Non-tuition and accommodation fees**

This includes payments due for welfare loans, disciplinary fines, and any other goods and services not directly linked to tuition or accommodation fees.

Payments due for any non-tuition/accommodation fees or charges will be invoiced when the service is provided or a fine or charge is incurred. Payment will be due 28 days after the invoice has been issued unless a suitable payment plan has been made with the Credit Control team.

The use of instalment plans is optional for invoices issued for non-tuition/accommodation fees. The Credit Control team will agree a suitable repayment plan based on financial circumstances. Payments must be made in line with the agreed repayment plan and UON retains the right to withdraw any agreements and consider further action if payments are not made in line with this agreement.

#### **6.5.1 Other fees - Consequences of non-payment**

Any outstanding debt due to UON after completion of the University's debt chasing procedures will be reviewed by the Credit Control Team Leader and if deemed necessary, passed to an external debt collection agency for collection through legal procedures. Any additional costs incurred will be payable by the student/debtor. This referral may affect the future credit rating of the student/debtor.

## **6.6 Appeals process**

If a student is unhappy about a decision relating to the payment of fees, including any sanctions that may have been applied due to an outstanding debt, they may bring a complaint under the Universities Student Complaints Procedure. Information on this can be found in the Student Handbook.

## **6.7 Early Withdrawal**

If a student leaves their programme of study early, depending on their withdrawal date, they may be liable for the fees for the full academic year. More information can be found in the University Withdrawal Policy on the University website, which outlines the correct procedure and timings for withdrawing from courses of study. Failure to formally withdraw from a course of study can lead to increased liability for unpaid fees.

If a student leaves their accommodation early, the sum liable is set out in the terms and conditions of residence that was provided to the student on acceptance of their accommodation offer.

## **6.8 Difficulty with payment**

Students who are experiencing financial difficulties paying any fees due to the University, relating to tuition, accommodation, or other costs, are advised to seek help at the earliest opportunity. UON will assist wherever possible although it reserves the right to act to recover any outstanding debts. In the first instance the student will be advised to contact the Credit Control team to discuss any outstanding balances and seek advice on financial assistance and information from the student financial guidance office.

## **7.0 Associated Documents**

- Tuition Fee Policy
- University Withdrawal Policy
- Student Handbook



## 8.0 Key Contacts

Credit Control Team Phone: (01604) 892337; 892231; 892407

E-mail credit [control@northampton.ac.uk](mailto:control@northampton.ac.uk)

## 9.0 Equality Impact Assessment

Please see the Equality Impact Assessment, Appendix 1.

## 10.0 Version Control

<b>V Number</b>	<b>Author</b>	<b>Date</b>	<b>Updates</b>
V7	J Baines	Aug 2023	New Format / Updates on wording
V8	J Baines	Nov 2023	Wording amendments to 6.3.2