

# Bacton Parish Council

## Bad Debt Policy

Adopted: Minute reference:

All monies owed to the Council in regards to a lease, will be collected in accordance with the terms of each individual lease.

All other income will be dealt with in accordance with the guidance below.

### **Aims**

Wherever possible, income due will be collected before or at the time of the relevant service provision or sale. Where this is not possible an invoice will be raised for immediate payment.

### **Values, principles & standards**

This policy is underpinned by the following values, principles:

- All debts will be recorded and non-payment will be followed up by issuing reminders as outlined below
- Where a service is being provided, this will cease immediately and the debtor will be informed of this in writing, and
- The service will not be reinstated until the debt is cleared and payment of future services is made in advance

### **Collecting debts**

The following timings are intended for guidance purposes only:

- a) Fifteen days from date of invoice – First reminder
- b) Four weeks from date of invoice – Second reminder
- c) Six weeks from date of invoice a “final reminder” to be sent by recorded delivery and to inform legal action may be taken if the account is not settled within 7 days.
- d) After a further 14 days, where a debt is still outstanding with no agreement to pay in instalments, collection of the debt to be referred to a debt collection agency or a Solicitor.

### **Writing-off debts**

If, after every effort has been made to collect the debt and reference to a debt collection agency is considered impractical, due to the amount outstanding, then writing off of individual bad debts may be considered.

### **Responsibility**

The Clerk is responsible for the implementation of this policy.