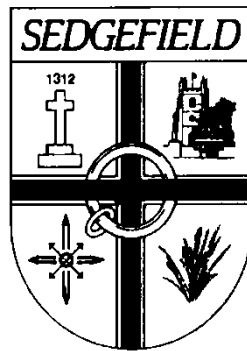


Sedgefield Town Council



COUNCIL DEBT POLICY

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7.0	13.7.20	Jane Ayre, Town Clerk	April 2021

SEDGEFIELD TOWN COUNCIL DEBT POLICY

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This Council Debt Policy was adopted by the P&R Committee on 13th July 2020 and will be reviewed in April 2021 in order that it can be presented for adoption at the Annual General Meeting of the Town Council in May 2021.

1. 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 9.4. which states:

“Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year in accordance with the Council Debt Policy”.

2. POLICY:

- 2.1. All accounts due will be collected in accordance with Financial Regulation No 9 and any sums found to be irrecoverable or any subsequent bad debts shall be reported to Town Council.

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

- i) Customers with outstanding accounts over £250 at 90 days shall be passed to a registered debt collector following a final seven day warning at the discretion of the RFO of the Town Council.
- ii) Any bad debts that cannot be recovered shall be referred to Town Council for authorisation to be written off.

3. 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.

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3.3. In some instances, specific debts will be reported to the P&R 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 the Town Council.

4. PAYMENT COLLECTION

4.1. The Council receives income from the following sources:

- Allotments
- Cemetery Fees
- Cemetery Lodge
- Parish Hall Hire
- Events
- Ceddesfeld Hall Grounds
- Use of Office Facilities, e.g. photocopying
- Dog Bags

4.2. Allotments:

Annual invoices are sent out to Butterwick Allotments and Winterton Allotments holders in March for payment from 1st April. Allotments holders are invoiced for the full annual cost of an allotment as per the fee agreed by the Council's P&R Committee. Payment is requested within one calendar month from receipt of the annual invoice. Allotment holders can pay by either cash, cheque or BACS, however, no credit card payments are accepted. An official Council receipt is given to an allotment holder upon receipt of full payment.

If an allotment holder surrenders their plot(s) during the 12 months for which they have already paid they do not receive any refund of payment. If a new person takes over an allotment during the payment year consideration is given on a

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case by case basis by the Town Clerk and Councillor with responsibility for allotments as to whether payment should be sought and, if so, how much. In such instances where payment is requested the same payment terms and conditions apply i.e. one month is given for payment to be received. .

4.3. Cemetery Fees:

Cemetery fees comprise of 3 elements:

- Reserving a grave;
- Actual interment (of ashes or body);
- Installing a headstone.

When a person(s) reserves a grave(s) they will be issued with an invoice with payment required within one month. The invoice amount will be as per the fee agreed by the Council's P&R Committee. Payment will be made by either cash or cheque, however, in the majority of instances such payment is usually via cheque. Upon receipt of payment an official Council receipt will be issued and a grant deed produced with both documents being issued together.

An interment will be arranged through the undertaker or executor acting on behalf of the deceased's next of kin. The Town Council will raise an invoice after the actual interment when the total costs are known. This invoice will be sent to the undertaker or executor for payment following liaison with next of kin or executor/solicitor. The invoice amount will be as per the fees agreed by the Council's P&R Committee. Payment will be made by cheque. Upon receipt of payment an official Council receipt will be issued.

Installation of a headstone will be arranged between the next of kin's appointed memorial mason and the Town Council. The memorial mason will submit to the Town Council a headstone application form and arrange an appropriate time for booking and fitting the memorial. The Town Council will raise an invoice in accordance with the fees agreed by the Council's P&R Committee once approval has been given by the Gardening Supervisor to the application form submitted. This invoice will be submitted to the memorial mason upon receipt of the headstone application form. In some instances, particularly with plaques for the Garden of Remembrance, the next of kin or executor will liaise directly with the Town Council instead of going through a memorial mason. Payment

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will usually be made by cheque but could be paid in cash if preferred. Upon receipt of payment an official Council receipt will be issued.

4.4. Cemetery Lodge:

Cemetery Lodge is a property owned by the Town Council and rented out on a short-term lease basis. This lease arrangement is administered by Dowens Estate Agents in Sedgefield. Tenants pay their rent on a monthly basis which is collected by Dowens and then paid via Direct Debit into the Town Council's bank account (less the management fee charged by Dowens). Any arrears in rent will be handled by Dowens as part of their management service. In addition, to the rent the tenants also pay a contribution to the water bill for the property as agreed by the P&R Committee. The Town Council pays the full water rates invoice and recharges the tenant per month which is paid via Direct Debit into the Town Council's bank account. The tenants are responsible for all utility bills and Council Tax bills in relation to the property.

4.5. Parish Hall Hire:

Regular bookings – Regular users of the Parish Hall are invoiced at the start of the following month in accordance with the fees agreed by the Council's P&R Committee. Payment is due within one month from receipt of invoice. Payment will be accepted in the form of cash, cheque or BACS. For BACS payments to be authorised this must be arranged in conjunction between the Regular User and the Town Clerk.

Ad hoc bookings - Ad hoc bookings of the Parish Hall are invoiced when the booking is made. This again is in accordance with the fees agreed by the Council's P&R Committee. Payment is due within one month from receipt of invoice. Payment will be accepted in the form of cash or cheque.

4.6. Events:

Throughout the course of a year the Town Council holds a number of events which are ticketed, i.e. coach trips, Mayor's Quiz, Mayor's Ball, November Fireworks Display. Tickets are sold from the Town Council Offices with payment being taken prior to tickets being released. Ticket payment can be in the form of either cash or cheque. The only exception to this is the November Fireworks Display when tickets are also sold on the Town Council's behalf by Ceddesfeld Hall and Tickety Boo. In these instances a clear recording system is put in place to ensure that ticket sales do not exceed the maximum capacity for the event and money is taken in accordance with the Council's internal control arrangements.

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4.7. Ceddesfeld Hall Grounds:

From time to time the Town Council receives requests from members of the public to hire the grounds of Ceddesfeld Hall for personal usage, e.g. weddings. In these instances such requests will be taken to the Council's Community Development and Engagement Committee for authorisation and an invoice issued in accordance with the fees agreed by the P&R Committee. Payment can be made by either cash or cheque. Payment would be payable in advance of the actual event and would be non-refundable.

4.8. Use of Office Facilities, e.g. photocopying:

The Town Council offers a photocopying services to groups and individuals who visit the Council Offices during opening hours.

Regular users have set up photocopying accounts whereby their usage is recorded and the Town Council issues an annual invoice in mid-March to each user based upon fees agreed by the P&R Committee. Payment is expected within one month. Payment can either be in the form of cash or cheque.

Ad hoc users are charged as they make their photocopying based upon fees agreed by the P&R Committee. In these instances an official receipt is not given, however, a record is kept of the amount of money taken for such a service.

4.9. Dog Bags:

Members of the public can purchase dog bags from the Council Offices at any time during office opening hours. Bags must be paid for immediately in the form of cash. No official receipt is given for dog bags. This is a service which operates on a not-for-profit basis as a valued community service.

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