

University of Liverpool

Credit Control Policy

Version Number	2		
Document Status	<i>Revised existing policy</i>		
Effective Date	<i>January 2026</i>		
Review Period	<i>2 Years</i>		
Responsible Department	<i>Finance Department -</i>		
Policy Author	<i>Katarzyna Milkiewicz-Siewiorek - k.milkiewicz-siewiorek@liverpool.ac.uk Angela Thomas - angela.thomas@liverpool.ac.uk</i>		
Approval Route	Committee	Submission Date	Approved?
	SLT	12 Jan 2026	Y
	Finance and Resources	22 Jan 2026	Y
Linked Documents	<i>A Guide to Raising Sales Invoices A Guide to Raising Sales Invoices Student fee website guidance https://www.liverpool.ac.uk/feespayment/ Online Store https://payments.liv.ac.uk/ Monies Due Form https://staff.liverpool.ac.uk/media/intranet/finance-intranet/docs/FORM,F17,,MONIES,DUE,.xlsx Credit control procedure Credit Control Procedures</i>		
Does this replace any previous policies?	<i>Previous Credit Control Policy</i>		
Consultation	<i>Considered and targeted consultation with members of the Finance team and SLT. Including all aspects of Governance (Legal / Insurance / Data Protection)</i>		
Equality Impact Assessment	<i>No impact noted during development of the policy. A detailed EqIA has been developed to support the Policy.</i>		
Regulatory/ Compliance	<i>Compliance with all relevant regulatory matters, such as Data Protection, GDPR, FCA, Money Laundering</i>		
Data Protection	<i>There are no data protection concerns, assurance and adherence against The Data Protection Act 2018. Data Protection Impact Assessment has been completed (Stage 1 – Ref 11924).</i> <i>Internal Security Standards assessed, and all required information security actions have been taken.</i>		

Table of Contents

1.	Introduction / Policy Statement.....	3
2.	Principles.....	3
3.	General Principles	4
3.2	Credit Assessment Procedures	4
3.3	Currency of Transactions	4
3.4	Invoicing Protocols.....	5
3.5	Purchase Orders (PO) Requirements.....	5
3.6	Payment Terms and conditions	5
3.7	Credit Control Procedures	5
3.8	Escalation Procedures.....	6
3.9	Referral to External Debt Collection Agencies.....	6
3.10	Bad Debt Management and Write-Off Procedures.....	6

1. Introduction / Policy Statement

Contained within this document are the principles, terms and conditions under which debt owed to the University of Liverpool is managed and controlled. The purpose of this Credit Control Policy is to ensure the University's debt portfolio is effectively administered, that outstanding debts are converted to cash in a timely manner, that cash recovery is maximised, and that exposure to potential bad debts is minimised.

The University receives income from a variety of sources – including student tuition fees, accommodation and ancillary services, research projects and commercial activity – each of which is collected through distinct mechanisms. This policy applies specifically to:

- Non-academic student debt relating to ancillary services (including but not limited to accommodation, study trips and consumables).
- Commercial debt from external customers.

Student tuition fee guidance can be found on our website <https://www.liverpool.ac.uk/feespayment/> and tuition fee debt is not covered within this policy.

In exercising its credit control functions the University utilises professional and reputable third-party debt collection agencies and, where necessary, interacts with relevant government bodies to recover outstanding sums. These third parties may apply charges in accordance with their own terms and conditions.

The Credit Control Team within the Central Finance Team provides assistance and advice on credit control and debt management issues. It monitors debt on a regular basis and provides quarterly reports to senior management and governance committees.

2. Principles

The Credit Control Team operates under the University's Financial Regulations to ensure:

- Prudent extension of credit to customers and robust assessment of creditworthiness.
- Timely collection of all amounts due in accordance with agreed payment terms.
- Maintenance of accurate and up-to-date customer records and accounts receivable ledgers.
- Constructive working relationships with internal and external stakeholders.
- A consistent escalation route and transparent dispute resolution processes

3. General Principles

3.1 New Customer Account Procedure

The Credit Control Team are responsible for the creation, maintenance and oversight of all commercial customer records in the University's finance system (Unit 4 ERP). Each customer is assigned a unique Customer ID.

All new customers are required to complete the "New Customer Form" or "Grantor Details Form" before any business is transacted. These forms must be authorised by a member of the customer's Finance or Accounts Payable Team and must include all relevant contact details to support future debt recovery.

No goods or services may be supplied to a new customer until the required form has been submitted and credit checks completed. Completed forms will be electronically stored and linked to the relevant Customer ID in Unit 4.

3.2 Credit Assessment Procedures

Before a member of staff commits to providing goods or services the Credit Control Team must carry out appropriate credit checks. Reports obtained from recognised credit reference agencies will guide decisions on credit limits and payment terms.

The University reserves the right to:

- Decline to open a credit account.
- Require alternative payment arrangements, such as payment in advance.

Where credit is deemed inappropriate or high risk, prepayment or staged payments should be agreed. Invoices for courses, room hire or events should wherever possible be issued and settled in advance.

3.3 Currency of Transactions

The University's default invoicing and collection currency is Sterling (GBP). Departments raising invoices are responsible for ensuring that the correct currency is applied.

Where a customer cannot be invoiced in Sterling, invoices may be issued in approved international currencies (e.g. Euros or US Dollars) provided that:

- The customer account has been correctly configured in Unit 4.
- The correct University bank details for the chosen currency are provided to the customer to ensure accurate allocation of funds.

3.4 Invoicing Protocols

Sales invoices may only be raised by staff who have successfully completed the University's Sales Invoice Training. Invoices must be issued promptly, using the latest version of Unit 4, for all expected income streams unless otherwise agreed with the Credit Control Team.

Invoices relating to Veterinary services and Student tuition fees are raised within software which interfaces directly into Unit4.

The University does not raise invoices valued at £50 and under. In such cases, departments can:

- Use the University of Liverpool Online Store <https://payments.liv.ac.uk/> or
- Collect payment in advance and submit a Monies Due form to the Payment Processing Team to enable allocation of funds. The form can be found on the finance intranet [here](#):

<https://staff.liverpool.ac.uk/media/intranet/finance-intranet/docs/FORM,F17,,MONIES,DUE,.xlsx>

Further guidance is available in [A Guide to Raising Sales Invoices](#) and on the Finance intranet.

3.5 Purchase Orders (PO) Requirements

A purchase order (PO) represents a binding commitment from the customer to purchase specified goods or services at agreed prices. POs reduce the risk of delayed or incorrect payment and help ensure compliance with customer policies.

- A PO must be obtained before goods or services are delivered and before an invoice is raised.
- Where a customer operates a "No PO, No Pay" policy, this must be strictly observed.

3.6 Payment Terms and conditions

The University's standard payment terms are 30 days from the date of invoice excluding Student Accommodation debt. Other non-standard payment terms require approval in line with the [University's scheme of delegation](#), alongside consultation with credit control.

Departments responsible for raising sales orders/invoices must ensure that payment terms stated on invoices match those agreed with the customer to avoid unnecessary disputes.

3.7 Credit Control Procedures

The Credit Control Team employs a range of methods to manage and collect outstanding debts. Detailed procedures and departmental guidance are provided in the [Credit Control Procedures](#) document.

3.8 Escalation Procedures

Unpaid debts are escalated once all routine reminder levels have been exhausted or where issues cannot be promptly resolved. Queries arising during the collection process will be referred to the originating department for assistance in reaching a resolution.

3.9 Referral to External Debt Collection Agencies

Where debts are deemed irrecoverable through internal processes, the University may refer such debts to an external agency or government body for recovery; such third parties may levy fees or charges under their own terms of business.

3.10 Bad Debt Management and Write-Off Procedures

All requests to write off debts must be referred to the relevant school / PS area and Finance for consideration and approval. Approval levels are as follows:

Job Title	Approval Level
Head of Finance Operations / Finance Operations Manager	Up to £25,000
Director of Finance/Deputy Director of Finance FP&A	£25,001 to £99,999
Finance and Resources Committee	£100,000 and over

For debts (excluding student debt) exceeding £5,000, the resulting write-off will be charged to the relevant school / PS area from which it originated.