



University of Essex

ACCOMMODATION ESSEX DEBT MANAGEMENT POLICY

Accommodation Essex – Debt Management Policy & Procedures

1. Scope and objectives

- 1.1 All debts owed to the University will be pursued to the fullest extent allowed by the law.
- 1.2 The University's policy is to treat students in a fair and reasonable manner regarding their responsibility to pay for their accommodation. The aims of the Policy are to minimise levels of student accommodation debt, reduce the stress and financial burden on all students (not just those in debt) that arises from high levels of debt, and protect the overall financial health of the University, allowing it to continue to invest in and provide affordable student accommodation for the future.
- 1.3 This policy document explains the University's approach to student accommodation debt and sets out its accommodation debt management procedure. It applies to all current and former students, whether full-time or part-time, undergraduate or postgraduate, home or international, whether registered at the University or a partner institution such as South Essex College.
- 1.4 If a student is unable to pay for accommodation and other services provided by the University, it may not be in the student's interest to embark on a further year of study until their financial position improves. This policy highlights University regulations that may prevent a student from progressing to the next year of study whilst they are in poor financial standing. This policy also explains when the University will take action through the courts for recovery of debt and/or repossession of accommodation.

2. Students' responsibilities

- 2.1 Students must make sure their email address and other contact details are kept up-to-date and notify Student Services Hub of any change, to enable the University to communicate with them promptly. The University will normally use email, but may use whatever reasonable means of communication is likely to be most effective in the circumstances.
- 2.2 If a student wishes the University to deal with a parent, guardian or 3rd party, it is the student's responsibility to provide the University with written (email is sufficient) consent authorising the University to discuss the student's circumstances with that parent or guardian. The University may determine that it would not be appropriate to deal with a parent, guardian or 3rd party in specific circumstances, even where a student has provided written consent for the University to do so.
- 2.3 If a student believes the University has made an error, or otherwise disagrees with any charges imposed by the University, it is the student's responsibility to raise that with the University at the earliest opportunity. It is recommended that the student sets out their query or grievance in an email to the Student Services Hub.
- 2.4 Subject to any genuine dispute or query about a charge, students are personally responsible for ensuring that they meet their contractual obligations to pay all accommodation charges when due. If a student anticipates or experiences any

difficulty in being able to meet their contractual obligations, they should contact Student Services Hub at the earliest opportunity. Early contact between the student and the University can help the student to minimise further charges and avoid making things worse.

2.5 Students experiencing difficulties in paying any fees and charges should seek advice at the earliest opportunity. Advice is available from the University, the Students' Union and independent sources. Contact details are given below:

Student Services Hub: www.essex.ac.uk/students/contact

Students' Union Advice Centre: https://www.essexstudent.com/services/advice_centre/

Independent Advice Organisations:

- National Debtline – Freephone 0808 080 4000 - www.nationaldebtline.co.uk
- Consumer Credit Counselling Service – Freephone 0800 138 111 – www.cccs.co.uk
- Citizens Advice - 0844 477 0808 - www.adviceguide.org.uk
- Community Legal Advice – 0845 345 4345

3. University's responsibilities

3.1 The University will listen to students and take account of their individual financial and personal circumstances before deciding upon a course of action, which could include seeking legal redress. The University will treat cases of genuine hardship sympathetically. Evidence provided by the student of their financial or other circumstances will be treated sensitively and according to the provisions of the General Data Protection Regulation (GDPR)

3.2 The University will follow the debt management procedure fairly and impartially and will have due regard to individual circumstances such as:

- 3.2.1 the amount of the debt – the University will not impose disproportionate sanctions for an amount that it reasonably considers to be trivial or insignificant (but it will continue to seek payment of such sums and may take legal action to recover the debt);
- 3.2.2 whether or not the student has agreed to a payment plan and if so, whether the student is keeping to the plan;
- 3.2.3 any special circumstances beyond the student's reasonable control, such as delays to student loans, problems with the student's bank account etc;
- 3.2.4 the student's previous payment record;
- 3.2.5 the student's overall conduct during his or her time at the University;
- 3.2.6 whether or not the student is working and if so, how much he/she earns;
- 3.2.7 other pressing financial commitments the student may have;
- 3.2.8 other circumstances that may genuinely affect the student's ability to pay the debt.

3.3 The University has a responsibility under this procedure to ensure that students are given early warning of action that may be taken against them, and guidance in trying to overcome their financial difficulties. Early communications from Accommodation Essex to student debtors at both Colchester and Southend will include a reminder of:

- Information on how to pay;
- Income and Payments contact details;
- Student Support contact details;
- Student Union Advice Centre details;
- Sources of Independent debt advice;
- Information about academic and legal sanctions that may be imposed.

4. How to pay rent and other accommodation charges

4.1 Full details on how to pay rent to the University are on the Accommodation Essex website in the section 'Payments and Charges'.

4.2 The University offers students the facility to pay their rent as follows:

4.2.1 A single payment in full prior to, or at the start of, the period of residence stipulated in the tenancy agreement;

4.2.2 In three instalments for undergraduate students;

4.2.3 In four instalments for postgraduate students;

4.2.4 For NHS bursary students, monthly payments can be arranged to coincide with bursary payments.

All instalments must be paid by the due dates stipulated in the tenancy agreement. Payment can be made on the student online payment system, by debit card, credit card or cheque.

4.3 Students who have not paid their rent by the due dates will be subject to the debt management procedures detailed below.

5. Debt Management Procedure

5.1 If a student falls into arrears, the University will contact him or her and try to agree a realistic and reasonable payment plan, setting out clearly the amounts and time limits for paying off the arrears. The aim of payment plans is to arrange manageable payment proposals for students who are struggling with their finances, in order to avoid them incurring additional charges and/or facing other sanctions. If a plan cannot be agreed, or if a debtor does not keep up with an agreed plan, the University may take legal action (as outlined in this policy) to enforce payment of outstanding accommodation charges.

5.2 Subject to the student's personal circumstances, the following procedure will be adopted:

○ **One Week Before Payment Due Date**

Income staff will send an email to remind the student of the payment due date.

○ **Day After Payment Due Date**

Income staff will email the student to notify the student that a payment has been missed. A late payment charge of £20 towards the University's administration costs will be added to the student's account.

Income staff will also attempt to make contact with student debtors by telephone to discuss how and when payment will be made.

○ **One Week After Payment Due Date**

Income and Accommodation staff will identify priority non-payers by assessing the amount of debt owed, known circumstances and whether prior contact has been made. Income will provide accommodation with a list of non-payers. Accommodation will issue a first warning.

○ **Two Weeks After Payment Due Date**

Income and Payments staff will email Accommodation Essex notifying them of student debtors who have still not paid. Accommodation Essex will contact student debtors who are still in residence by telephone (followed up by an email) to warn them that their internet access in the residences will be suspended. They will receive a 7 day warning that the Notice of Termination of the tenancy will be served if the debt still remains unpaid.

○ **Three Weeks After Payment Due Date**

Income staff will email Accommodation Essex notifying them of student debtors who have still not paid.

Accommodation Essex will serve 28-days' Notice of Termination of the tenancy, informing Income of the expiry date.

Income will add a £20 internet re-connection fee to the debtors' accounts.

A covering letter will be included with the Notice of Termination, explaining what court fees and costs will be incurred if the student has not paid their arrears and charges or moved out of the accommodation by the expiry date of the Notice.

Accommodation & Income staff will continue to try and make contact with the debtors, either by telephone or by visiting them in their room, to discuss payment of the outstanding amount.

If payment is made in full before the Notice expires, or the student is keeping to a payment plan, the University will not then terminate the tenancy (but may do so at a later stage if the student falls into arrears again or does not keep to their payment plan).

If the student is no longer in residence, Income will begin proceedings in court to recover the amount owed.

- **After Notice of Termination Expires**

Income staff will email Accommodation Essex notifying them of student debtors who have still not paid.

If the student has not moved out of the accommodation and has not paid the debt by expiry of the notice period, or arranged and kept to an agreed payment plan, Accommodation Essex will instruct their Solicitors to send a letter to the student, giving them a final 7 days to pay before Court Action commences. The cost of this letter (currently £56 including VAT) will be re-charged to the student via Agresso and will include a further £20 towards the University's administration costs for this work.

During these 7 days, Accommodation & Income staff will continue to try and make contact with the debtors, either by telephone or by visiting them in their room, to discuss payment of the outstanding amount.

If, after the 7 days have passed the student has still not cleared their debt or arranged and kept to an agreed payment plan, Accommodation Essex will instruct their Solicitors begin court proceedings for a possession order and recovery of the outstanding debt, court costs and legal fees.

If the student has moved out of the property but has not paid what they owe, Income will take legal action for recovery of the debt, court costs and legal fees.

Accommodation & Income staff will continue to try and make contact with the debtors, either by telephone or by visiting them in their room, to discuss payment of the outstanding amount and to stress the seriousness of the situation.

If legal action is needed to recover a debt, the University will ask the court to order the debtor to pay its administrative charges, court fees and allowable legal costs.

- **County Court Judgement**

Accommodation Essex will inform Income of the outcome of court proceedings. If judgement is made against a student and the student does not meet the terms of the court order, Income and Payments staff will inform Accommodation Essex, who will then arrange to enforce the order.

6. Consequences of non-payment

- 6.1 The University will remind students of these likely consequences in good time if a payment is missed.
- 6.2 If a county court judgement is made against a student, it will seriously affect their credit record, and the student is likely to find it difficult to rent accommodation elsewhere, obtain a credit or store card, or have a mobile phone contract. County court judgements can also affect some career prospects, where the ability to manage one's finances is considered important.
- 6.3 The University will not offer accommodation to an indebted student or former student unless the debt including interest and costs, is settled in full. The University may refuse an application for accommodation from an applicant with a poor credit history
- 6.4 The University may not permit a student to pay by instalments for subsequent years and may insist on full payment for the year's accommodation before the student is allowed to take occupation.
- 6.5 Once internet service to a student's room has been disconnected, it will not be reconnected until after all outstanding debt has been paid. A reconnection and administration fee of £20.00 will be payable before internet service is reinstated. It may take up to 24 hours after payment of the reconnection charge before service is resumed.
- 6.6 A student who is subject to immigration control (Tier 4 for example) is required to have sufficient funds to cover the costs of their education. Failure to pay charges that are owed to the University may result in the University withdrawing sponsorship as the individual does not have sufficient funds to meet the costs of studying in the UK. In these circumstances, the student would be withdrawn from the University notwithstanding academic performance.
- 6.7 There will be no opportunity to accrue Type 1 debt for any services; instead the rights relating to the service in question will be restricted. For example, if a student holds a library fine, their library borrowing rights will be removed instead of allowing further debt to be accrued.
- 6.8 The University may not offer accommodation to a student holder of debt, or former-student holder of debt, unless the debt has been settled in full.

All actions and consequences arising out of any unpaid debt are enforced at the discretion of the Director of Finance.

7. Responsibility for this policy

- 7.1 All staff in Accommodation Essex and Income and Payments are expected to be familiar with this policy and to follow it when dealing with student accommodation debt.
- 7.2 Responsibility for dissemination of this policy and annual review rests jointly with the Assistant Director UECS (Operations) and Head of Income and Payments