

## **ST NEOT PARISH COUNCIL**

### **DEBT RECOVERY POLICY**

#### **Section 1 – Risk**

##### **To identify revenue sources for the parish council which may be subject to bad debt**

- Pavilion usage
- Cott Yard rent
- Sale of Advertising in St Neot News/Website
- Goonzion rent

##### **Pavilion**

Pavilion usage is principally by Menheniot Post Office. Rent paid regularly by BACS. Minimal risk of bad debt.

##### **Cott Yard Rent**

Rent paid by two tenants by BACS on production of an invoice from Parish Council. Minimal risk of bad debt.

##### **Goonzion Rent**

Rent paid by three tenants by cash/cheque on production of an invoice from Parish Council. Minimal risk of bad debt.

##### **Advertising in St Neot News/Website**

All advertisements are paid for in advance or they are not included. Rates set and no credit account operates. Minimal risk of bad debt.

#### **Section 2 – Action**

##### **To formulate a policy for the Council which covers debt recovery**

- To continue with payments in advance from all advertisers in St Neot News/Website prior to running the advertisement;
- To formally adopt a 30-day payment term for monthly invoices for tenants of Cott Yard, Goonzion and users of Pavilion;
- To formally adopt a policy of issuing an “overdue” statement after 30 days as a reminder for overdue payments, giving a 14-day period to settle the account and advising of the next step of the small claims court. This letter to be hand delivered by Chair of parish council and one other councillor;
- To formally adopt a policy where a debt still outstanding subject to the conditions above will be automatically sent to the Small Claims Court for collection if the debt is less than £5,000;
- To formally adopt a policy where a debt still outstanding subject to the conditions above will be automatically sent to a solicitor for collection if the debt is more than £5,000.

