

Bad Debt Policy
for
Bergh Apton Parish

1. Approval and Review

1.1 The Council approved this Bad Debt Policy on 2nd September 2026. It is included as an attachment to and supports the Financial Regulations.

1.2 The Council will review this policy annually.

2. Actions to be followed

2.1 Invoices are sent out for goods and services ahead of the supply of those goods and services. The invoice requests that payment is received in FULL within 30 days of the date of the invoice.

2.2 In the event of payment not being received then a statement is sent detailing that payment is now requested within 14 days of the date of the statement.

2.3 In the event of payment not being received after the 14-day reminder, then a letter must be sent advising:

- i. that unless payment is received within 7 days (of the date of the letter) the matter will be progressed through the County Small Claims Court.
- ii. the Council will also seek to recover its court costs.
- iii. no further reminders will be sent.

2.4 In the event of payment not being received within those 7 days then the Clerk / RFO will refer the matter to the County Court. There is a court cost incurred in using the Small Claims Court and this must be included as part of the claim made by the Council.

2.5 The RFO is responsible for implementing 2.1 – 2.4 above. The RFO will report all unpaid invoices to the Council which exceed 44 days. Bad Debts can only be written off with approval from the Council, and when the four steps above have been implemented. All bad debts will be recorded in the notes to the Annual Accounts.

2.6 N.B. Discretionary addition – council policy could include statutory interest on any outstanding debt, which is calculated as 8% plus the Bank of England base rate. The interest accrues from the day after the invoice becomes overdue. To add this to an unpaid invoice, you will need to send a new invoice reflecting the interest amount. OR alternatively, a council could impose a standard fee, say £25 or £50, as an admin charge for reissuing an unpaid invoice, prior to going through the county court proceeding

2nd September 2026

To be reviewed with Financial Regulations annually namely July 2027