

Finance Services

Payments and Income

Our transactional services team delivers high quality, fully-managed supplier payments, income allocation and debt recovery services. We fully understand that sound financial management is of paramount importance for any organisation, and our service is designed to support that aim. We facilitate timely payments to suppliers, recover debts as early as possible, and accurately allocate any income received on behalf of schools. At the same time, we maintain and develop positive relationships with suppliers and customers.

Invoices

We provide an efficient method of paying your school's invoices. The service aims to pay suppliers effectively, efficiently, economically and in accordance with agreed credit terms by maximising economies of scale whilst delivering a friendly and customer-centric solution. Invoices and/or credit notes are either received in paper form from a school or in electronic format via the SIMs Invoice integration process. Invoices received in either format are processed into the corporate Accounts Payable system.

Payments

Payments are generated on a daily basis to ensure suppliers are paid in accordance with credit terms wherever possible. Our preferred payment method is by BACS direct credit, it being more secure and certain than payment by cheque. A remittance advice is sent to the supplier to notify them of the payment made and the invoice(s) the payment relates to. Full bank transaction reconciliation is performed on a daily basis on payments drawn to minimize any attempted fraud in relation to cheques issued. All primary records are retained for the statutory periods. A helpdesk is operated from 9am to 5pm Monday to Friday to provide suppliers and schools staff with a professional and informed response on any queries they may have regarding payments made or in relation to invoice processing.

Debt recovery

Our value-for-money solution to debt recovery uses a structured approach to debt collection, aimed at early collection of debts. Invoices are raised by the school who notify the Income Team that a debt is to be recorded in the corporate Accounts Receivable system by providing a copy of the debtor invoice raised. The Income Team record the debt in Accounts Receivable to enable formal debt monitoring and any necessary debt recovery action to take place. Monies received are allocated to debts on a daily basis. Where a debt remains unpaid after 28 days the first of two debt chasing letters is sent.

Where the debt remains unpaid after a further 14 days a second debt chasing letter is sent. Unpaid debts are relayed to schools via a monthly report. The Income Team then work with the school to maximize recovery of any such debts.

Schools' representatives are consulted where a query is raised regarding the validity of the debt and/or to assist with tracing. In circumstances where it is deemed that a debt is not recoverable or, where it is deemed that it would not be cost effective to continue recovery action, a school representative will be contacted and further action agreed upon or arrangement made for write off in accordance with school write-off policy. Debts can be referred to our legal representatives to pursue through the legal system where deemed appropriate. This may result in additional costs being incurred by the school. The likely costs of such action and chances of success are available prior to any action being taken.

Codes

Monies banked by schools are allocated to appropriate income codes relating to the school on a daily basis.

Schools' responsibilities

As part of the provision of the Payments Service schools are responsible for providing invoices via the SIMS invoice integration process or in paper form with suitably completed coding/authorisation to enable processing to take place and payment to be made. Invoices are received to Schools' Choice through the internal and external post. Schools must also provide information in the event of supplier query, e.g. confirmation of delivery, invoice value discrepancies or non-payment as invoice is not supplied, to enable a full response to resolve any issues.

As part of the provision of the Income Service schools are responsible for providing fully completed copy sundry debtor accounts to enable sundry debts to be recorded in Accounts Receivable. Schools must also provide required information in the event of customer query (e.g. further details regarding the debt and goods/services provided). Schools must keep the Income Team informed of any dealings/correspondence entered into with a debtor to enable this to inform the debt recovery process.

Schools must provide the Income Team with any assistance that may help in recovering debts due from debtors. Schools must bank monies received by the school in accordance with school policy and to provide all necessary information (GL code or debtor invoice reference) to enable those bankings to be allocated accurately and in a timely fashion. Schools must also issue credit notes as required and send certified copies of those credit notes to the Income Team to enable such credits to be applied to outstanding debt.

Quality and Performance standards

In relation to the Payments Service our aim is to process all invoices within five working days from the date of receipt. We consistently process 100% within this target. In relation to our Income service our performance standard is to keep the average no. of debtor days, calculated on an average over any period of 365 consecutive days to below 65 days. We currently perform well within this target.

Availability

This service is available to all local authority maintained schools. The service does not cover any additional costs associated with a school requesting or authorising legal action to be taken to enforce the recovery of unpaid debts, or any losses resulting from the lack of or incorrect information being provided by schools.