Credit Control Policy & Procedure

For: Besceau (Beck & Scott (Services) LTD and Beck & Scott LTD)
Policy Owner: Management / Accounts Department

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1. Purpose

The purpose of this Credit Control Policy is to ensure that customer accounts are managed consistently and professionally, outstanding debts are collected promptly, and cash flow is protected while maintaining positive customer relationships.

This policy outlines the procedures for:

- Granting customer credit
- Monitoring outstanding balances
- Chasing overdue payments
- Suspending accounts where necessary
- Recovering unpaid debts

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2. Scope

This policy applies to:

- All customers supplied by Besceau, (Beck & Scott (Services) LTD and Beck & Scott LTD)
- All staff involved in sales, accounts, customer service, and management
- All invoices relating to water deliveries, cooler rental, sanitisation, deposits, accessories, and related services

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3. Responsibilities

Management

Management is responsible for:

- Approving customer credit terms

- Reviewing overdue accounts
- Authorising legal recovery action where required
- Reviewing credit limits periodically

Accounts Department

The Accounts Department is responsible for:

- Issuing invoices and statements
- Monitoring aged debt reports
- Chasing overdue payments
- Recording customer communications
- Escalating overdue accounts

Sales & Customer Service Staff

Staff must:

- Notify Accounts of customer payment concerns
- Avoid promising extended credit without authorisation
- Support debt recovery where required

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4. Standard Credit Terms

Unless otherwise agreed in writing:

- Standard payment terms are **30 days from invoice date**
- Deposits may be required for:
  - Water coolers
  - Bottles
  - Stands
  - Covers
  - Stillages

- New customers may be required to pay upfront before credit is approved

Besceau reserves the right to:

- Reduce credit limits
- Remove credit facilities
- Request payment in advance

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5. Customer Account Setup

Before credit is granted:

- Customer contact details must be obtained
- Billing address and delivery address must be confirmed
- Main contact details and accounts email address must be recorded
- Credit references may be requested for larger accounts
- Agreed payment terms must be documented

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6. Invoicing Procedure

Invoices should:

- Be issued promptly following delivery or service
- Clearly state payment due date
- Include invoice number and payment details
- Be sent electronically where possible

Monthly statements may also be issued to customers with outstanding balances.

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7. Credit Control Procedure

7.1 Invoice Monitoring

Outstanding invoices shall be monitored weekly using an aged debt report.

Accounts may be categorised as:

- Current
- 30 days overdue
- 60 days overdue
- 90+ days overdue

7.2 First Reminder

Where payment becomes overdue:

- A polite reminder email or telephone call shall be made
- Customer account notes should be updated
- Any payment disputes should be investigated promptly

Typically issued:

- 7 days after due date

7.3 Second Reminder

If payment remains outstanding:

- A second reminder shall be issued
- Customer may be advised that continued non-payment could result in account suspension

Typically issued:

- 14–21 days after due date

7.4 Final Demand

Where payment remains unpaid:

- A formal final demand letter/email may be issued
- Management should be informed
- Customer may be placed on stop or cash-only terms

Typically issued:

- 30+ days overdue

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8. Account Suspension

Besceau reserves the right to:

- Suspend deliveries
- Refuse bottle exchanges
- Refuse further credit
- Withdraw rental equipment

Accounts may be suspended where:

- Invoices remain unpaid
- Payment arrangements are broken
- Customer repeatedly exceeds agreed terms

Any suspension should be authorised by Management.

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9. Payment Arrangements

Where appropriate, Besceau may agree temporary payment plans.

Any arrangement must:

- Be confirmed in writing
- Include agreed payment dates

- Be monitored closely

Failure to maintain an agreed arrangement may result in immediate account suspension.

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10. Disputed Invoices

Where a customer disputes an invoice:

- The issue must be investigated promptly
- Relevant delivery notes or service records should be reviewed
- The undisputed portion should still be paid

Accounts staff should maintain professional communication throughout the process.

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11. Legal Recovery

Where internal recovery efforts fail, Besceau may:

- Refer the account to debt collection
- Commence legal proceedings
- Recover reasonable recovery costs where permitted

Management approval is required before legal action is initiated.

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12. Customer Communication Standards

All credit control communication should:

- Remain professional and courteous
- Be factual and clear
- Avoid aggressive or threatening language
- Be recorded where possible

Besceau aims to maintain positive customer relationships while protecting the business financially.

13. Record Keeping

The following records should be retained:

- Invoices
- Statements
- Delivery records
- Reminder letters/emails
- Payment arrangements
- Notes of telephone conversations

Records should be retained in accordance with company document retention procedures.

14. Confidentiality & Data Protection

All customer financial information shall be handled confidentially and in accordance with applicable data protection legislation including UK GDPR.

15. Review

This policy shall be reviewed annually or sooner if business requirements or legislation changes.