

COURSE CONTENT OVERVIEW

Credit Control

This Credit Control course is designed to teach learners how to effectively offer credit and chase overdue payments. It covers the types of techniques you should use to chase debts in-house, what percentage of interest and chase costs you can apply, and what third party or legal processes you may need to follow when you cannot reclaim payment yourself. With this knowledge, you'll be able to offer credit to customers with as low a risk as possible and reclaim it efficiently.

Module One: Introduction to Credit Control

This module gives an overview of the credit control process and explains why it is important. It describes the skills a credit controller should have in order to effectively manage the credit their business gives to customers.

- What is credit control?
- Why is credit control important?
- The abilities of a good credit controller
- The responsibilities of a credit controller

Module Two: Creating Contracts and Credit Checking

This module covers the steps you should follow before offering a customer credit. It explains what your credit application form should include and how to carry out effective credit checks on customers. It also looks at how much interest and costs late payment legislation allow you to apply to overdue payments.

- New customers
- Credit checking
- Credit insurance
- Contracts and invoices
- Late payment legislation

Module Three: Collection Procedures

This module explains in detail what your chase cycle should involve. It teaches you how to effectively use phone calls and letters to chase debtors, and looks at examples of how your conversations should go with debtors. It also explains how to tackle common excuses and make your chase letters have impact.

- Communication methods
- The chase cycle
- Chasing payment: the first call
- Common excuses for non-payment
- Chasing payment: the second call
- Chasing payment: the third call
- Chase letters
- Example letters
- Next steps

Module Four: Third Party Collectors and Legal Action

This module discusses the types of third parties you should use if you cannot collect debts yourself. It details the process you will need to go through if you want to take the overdue payment to court, and also looks at what further action the court can help you take. For example, sending bailiffs and issuing court orders.

- Debt collection agencies and solicitors
- Legal action
- Letter before action
- Submitting claims to court
- Preparing for a court hearing
- Further court action

Module Five: Statutory Demands and Other Actions

This module explains the steps you can take if the debtor will still not repay you after the issue goes through court. It looks at how to begin bankruptcy proceedings or winding up the debtor's company. It also covers what type of financial relief you can apply for if you are left with bad debts.

- Statutory demands
- Bankruptcy and winding up
- Voluntary arrangements
- Administration orders
- VAT and tax relief
- Default accounts

Aims of the training

By the end of this course, learners will:

- Understand why controlling credit is important and what skills they need to be a good credit controller.
- Know how to offer credit to customers in a low risk way, i.e. by using credit application forms and carrying out credit checks.
- Recognise their right to charge interest and other costs under the Late Payment of Commercial Debts (Interest) Act.
- Learn techniques that enable them to effectively chase payment via phone calls and letters.
- Know how to address common excuses for non-payment.
- Understand how third parties (including debt collection agencies and solicitors) and the court can help chase payment.
- Recognise what further steps they can take if the debtor will still not pay, including sending statutory demands.
- Know what type of relief they can claim back if they are left with bad debts.