

# Policy:

## FIN 015 - Income Collection

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<b>Policy Owner</b>	Deputy Director of Finance
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<b>Document Version Number</b>	Version 3.0 (V3.0)
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### Summary of policy

This document provides detailed guidance to how the collection of income following supply of goods or services is undertaken. It provides guidance on the procedures that are required to be undertaken prior to and during the collection of income.

<b>Target audience</b>	Trust staff, the Board of Directors and Council of Governors.
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<b>Keywords</b>	Debt collection, Income, Provisions, IAS
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### Storage & Version Control

Version 3.0 of this policy is stored and available through the SHSC intranet. This version of the policy supersedes the previous version 2 from August 2019. Any copies of the previous policy held separately should be destroyed and replaced with this version.

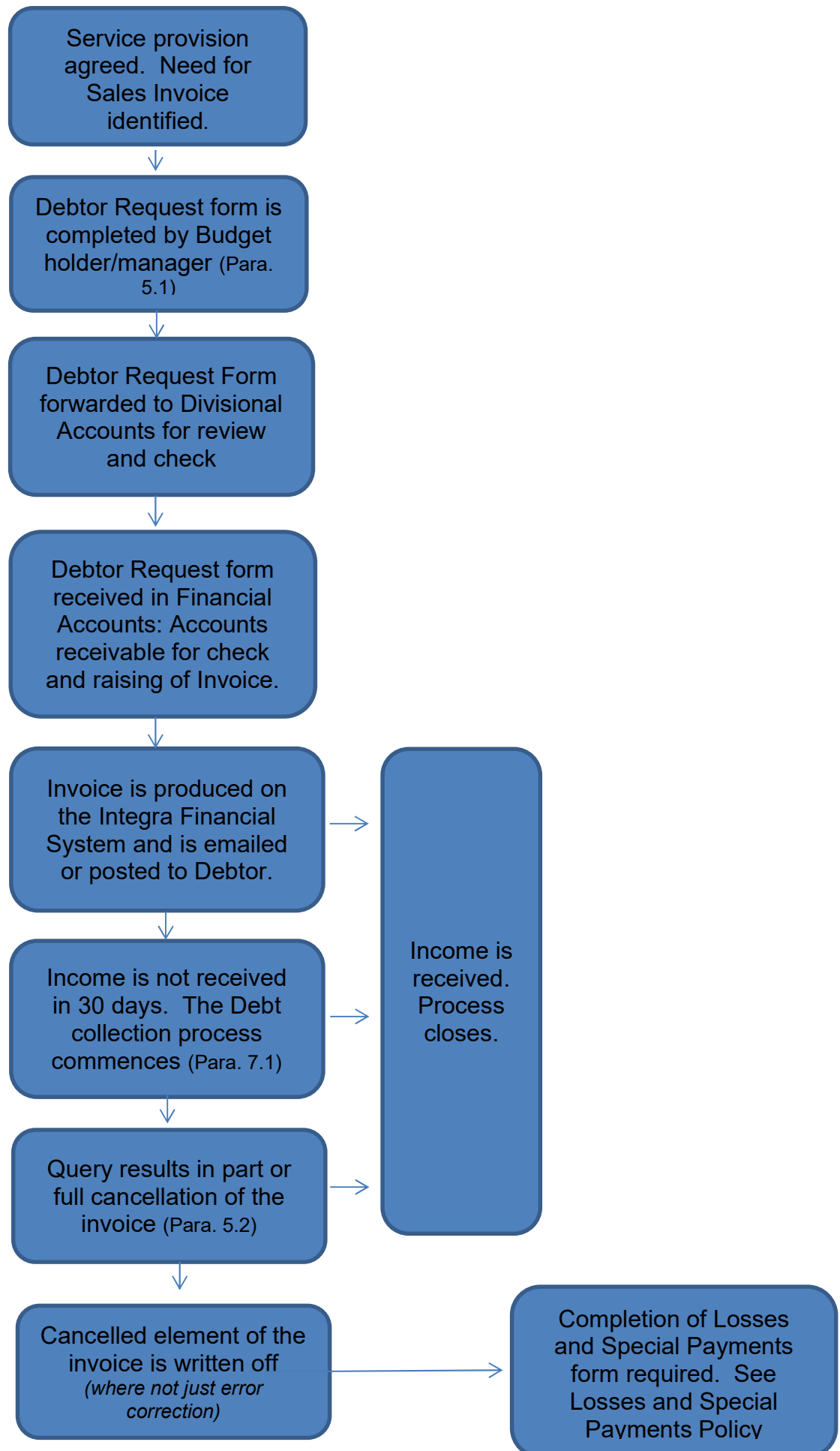
## Version Control and Amendment Log

Version No.	Type of Change	Date	Description of change(s)
1.1	Working draft	11/2014	Draft
1.2	SMT Review	12/2014	Consultation
1.3	Updated policy format for FIPC approval.	08/2016	Updated to Policy on Policies format, to remove out of date references to named staff and Committees, add a Training section and update the Implementation plan to reflect issue of reviewed policy. September 2016 - FIPC Approval
2.0	Review on expiry of policy	08/2019	Full review of policy wording, references and provides more detailed guidance with regards to debt collection referrals.
3.0	Review on expiry of policy	08/2021	Updated to latest Policy template, updated references to internal teams and governance bodies, and minor changes to wording within its existing context to provide more clarity

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## Flowchart



## 1 Introduction

1.1 The aim of this document is to provide overarching principles to all Sheffield Health and Social Care NHS Foundation Trust (SHSC) staff requesting money from another organisation/ individual for goods, services, or recharges of costs. (The organisation/ individual will be referred to as the Debtor in the rest of this policy.)

1.2 This procedure applies to all employees of SHSC, any staff who are seconded to SHSC, contract and agency staff and any other individual working on SHSC premises.

## 2 Scope

2.1 This policy covers the following: -

- Raising a Debtor Invoice
- Raising of Credit notes or Cancellations to Debtors
- Collection of outstanding debts
- Disputing invoices
- Provision for bad or doubtful debts and write off

2.2 Excluded from this policy are the following: -

- Receipting of payments
- VAT debtors
- Prepayments
- Income accruals

## 3 Purpose

3.1 The aim of this document is to provide overarching principles to all Sheffield Health and Social Care NHS Foundation Trust (SHSC) staff requesting money from another organisation/ individual for goods, services or recharges of costs. The required paperwork is outlined and explained.

3.2 It provides guidance for finance staff on the principles to apply when accounting for and chasing outstanding debts.

## 4 Definitions

VAT: Value Added Tax

SDS: Self Directed Support

Debtor: An organisation that owes money to the Trust

SHSC: Sheffield Health and Social Care NHS FT (the Trust)

IDT: Internal Department Transfer (where costs are recharged to other departments within SHSC).

IAS: International Accounting Standard. Defines how financial transactions be accounted for.

## 5 Raising of Debtors

5.1.1 Where services are supplied by SHSC to an external organisation or individual invoices should be raised to collect the income due to the Trust. To maintain adequate liquidity, invoices should be raised in the period in which they relate to, or as per agreed contract terms (refer to Standing Financial Instructions), but in all cases, as soon as possible in the period in which the service is delivered.

5.1.2 A Debtor Request form should be completed (or checked) by the Directorate Finance team on behalf of the delegated Budget manager or Budget holder. This check should include review of VAT treatment.

5.1.3 Debtor Request Forms should only be used to raise invoices to external organisations. Recharges between departments within SHSC are actioned using JV30 journals. Please refer to Management Accounts - Directorate Finance team for further information.

5.1.4 Detailed guidance on the use and completion of the Debtor Request Form is at Appendix C.

5.1.5 Due to the admin cost of raising and pursuing debtors, any single invoice request for less than £25.00 will not be processed by the Accounts Receivable team. However, records of these items should be kept separately for management attention and monitoring.

5.1.6 However, if due to operational requirements where a small debtor must be raised, for example to access patient's record. A formal request for payment in advance will be made prior to the issue of the service and invoice. Where payment is not received the service will not be provided without exception.

## 5.2 **Raising of Credit notes or Cancellations to Debtors**

5.2.1 Where an invoice has been raised in error consideration to the reason for the error is required.

5.2.2 If the invoice is raised to the incorrect customer, a cancellation can be actioned, and the invoice re-raised at the same value to a new customer. This is done with a cancellation form. Detailed guidance on the use and completion of the Cancellation Form is at Appendix D.

5.2.3 If the invoice is raised at an incorrect value due to administrative error, a Credit Note can be raised. This is actioned on the cancellation form, but only part of the invoice is credited. Detailed guidance on the use and completion of the Cancellation Form is at Appendix D.

5.2.4 If the invoice is raised, but circumstances are such that the organisation no longer anticipates that payment will be forthcoming despite following debt collection procedures and attempting to resolve any queries with the Debtor, and services have been provided, the outstanding debt may require write-off. Again, the Cancellation form should be used. Bad debt write-offs are classed as an unplanned loss and as such are reported to the Audit Committee for approval prior to write-off under the Losses and Special Payments Policy. Therefore, the appropriately authorised Losses and Special Payments form should accompany the Cancellation form. Detailed guidance on the use and completion of the Cancellation Form is at Appendix D. Refer also to Paragraph 9: Provision for Bad Debts.

## 6 **Duties**

6.1 The Contract and Tender Management Team (CATM) is responsible for making sure invoices for block contracts are raised on a monthly basis and for ensuring that appropriate evidence is maintained in support of those invoices (such as customer's agreement to pay, or purchase order, or contract schedule). Once the contract price has been agreed Contracting will forward all relevant details to Management Accounts - Directorate Finance team who will ensure that all debtors request forms are accurate and completed in full, including reviewing VAT treatment and applying appropriate VAT

rates, before sending on to the Financial Accounts – Accounts Receivable team. Completed debtor requests need to be emailed to [Accounts.Receivable@shsc.nhs.uk](mailto:Accounts.Receivable@shsc.nhs.uk)

6.2 The Management Accounts - Directorate Finance team, on behalf of delegated budget holders and budget managers, are responsible for completing or checking non-contract debtor request forms, ensuring that there are accurate and completed in full, including reviewing VAT treatment and applying appropriate VAT rates, before sending on to the Financial Accounts – Accounts Receivable team. Completed debtor requests need to be emailed to [Accounts.Receivable@shsc.nhs.uk](mailto:Accounts.Receivable@shsc.nhs.uk)

6.3 The Financial Accounts - Accounts Receivable team are responsible for validating the debtor request forms, including checking VAT treatment and rates, raising the sales invoices and collecting the income. They will also provide regular updates to each of the Directorate's Accountants confirming the current debtor's position and highlighting the aged debt profile. They will also provide monthly reports to the Trust Board within the Finance report of the Trust's overall debtor position, highlighting key risks and challenges.

6.4 Delegated Budget Managers and Budget holders are responsible for completing debtor request forms in conjunction with their Directorate Accountant, and for keeping their Directorate Accountant informed of all anticipated income streams. This includes maintaining appropriate records on patient care records (via Insight) so that Self Directed Support (SDS) charges can be collected from clients as Personal budgets continue to be introduced. They are also responsible for the timely completion of staff leaver forms to avoid overpayments of salary.

6.5 Victoria Pay Services are responsible for informing the Financial Accounts - Accounts Receivable team of overpayments of salary to former employees so that Debtors can be raised on a timely basis.

6.6 SHSC is committed to:

- The achievement of the principles, values, rights, pledges, and responsibilities detailed in the NHS Constitution, and
- Ensuring these principles are taken account of in the production of its Policies, Procedures and Guidelines. This procedure supports the NHS Constitution by committing to use NHS resources responsibly and fairly and providing best value for taxpayer's money.

## 7 Procedure

### 7.1 Credit Control (Debt Chasing and Collection)

#### 7.1.1 Non-Governmental debts: Approach to Credit Control

7.1.1.1 Financial Accounts - Accounts Receivable Team are responsible for collecting all debts.

7.1.1.2 Standard payment terms for SHSC are 30 days from the invoice date. The exceptions to this are the following who will be on immediate payment terms: -

- Staff who have left the organisation
- Exceptional circumstances per pre-agreed contract terms. These cases require pre-agreement by the SHSC Director of Finance, evidence of which should be retained.

7.1.1.3 The Income Collection Policy covers the collection of all types of outstanding debt, including contract debt, service charges, course fees repayment to name only a few examples.

7.1.1.4 For non-governmental debt the standard credit control stages are as follows:

- **Statement** - All debtors are sent a full statement of outstanding invoices and amounts every month after prior month close-down. The statement will include all transactions up to the month-end and will be issued by the 14th of the following month. Statements will continue to be issued even in circumstances where an invoice is under query with reminders letter on hold. Statements are automatically generated by the Integra Financial Ledger system.
- **On hold** - The reminder letter process will only be put 'on hold' under circumstances where the validity of the invoice has been put under question. On conclusion of the query, the collection process will resume.
- **30 days from date of invoice** – A first reminder letter will be sent to all debtors via email where records exist, or alternatively via mail, when the invoice is 1 day overdue.
- **60 days from date of invoice** – Financial Accounts- Accounts Receivable Team will send a second reminder letter via email where records exist, or alternatively via mail, when the invoice is 31 days overdue, stating clearly that it is the Trust's intentions to action a referral to the external debt collector agency if no communication is received promptly
- **90 days from date of invoice** - Debtors will receive a final demand letter from Financial Accountants- Accounts Receivable team via email, where records exist, or alternatively via mail, when the invoice is 61 days overdue.
- **7 days following Final Demand letter** – The debt will be referred to the Trust's external debt collector for recovery. However, due to admin charges and expenses, no single debts below an outstanding amount of £60 are to be referred.

7.1.1.5 Collection efforts will commence from the first day overdue in all cases and will include telephone contact with the debtor throughout the process outlined in 7.1.1.4 above.

7.1.1.6 Agreements to allow debtors to pay by instalments (also known as a payment plan) can only be agreed by the Deputy Director of Finance on the advice of the Accounts Receivable team. The decision will consider:

- the amount of the debt
- how long it has been outstanding
- the financial circumstances of the debtor -
- The financial circumstances of the debtor will be assessed using evidence such as recent bank statements, detailed income and expenditure for the Debtor, payslips, employment status etc, and will be subject to a quarterly review.

7.1.1.7 If a debtor fails to adhere to a previously agreed payment plan, the debt will become due in full immediately and will be referred to the Trust's debt collection agents for recovery providing the process is cost effective, i.e. the outstanding balance outweighs the cost of the referral.

7.1.1.8 Upon referral of a debtor to the external debt collection agency, the Accounts Receivable team will endeavour to act on recommendation and feedback provided by the agency within 15 days of receipt. This advice might be in the form of a write-off recommendation or to pursue via claim courts.

7.1.1.9 For write-off recommendations it is important to consider that the Audit Committee meets five times a year, therefore all related paperwork should be readily available for timely action of write-offs.



7.1.1.10 For small claim courts the actual value of the outstanding debt must be appraised against the cost of the referral. After debt collector's actions failed to recover the debt, if the outstanding amount is less than or equal to the cost to pursue any further, then a write-off should be recommended in consequence.

7.1.1.11 It is recognised that in many cases (for example; Self Directed Support arrangements or Payment of Prescription Charges) SHSC will regularly invoice Service Users for financial contribution towards their care as per legislative requirements. Whilst every effort will be made to be empathic to individual circumstances, SHSC has a duty to collect income due and will follow the procedure laid out in Paragraphs 7.3.4.1 in all cases with only the following exceptions: Payroll overpayments (See Paragraph 7.3. - 7.3.3) and Governmental Debt (Paragraph 7.3.4).

### **7.2.2 Payroll overpayments (for staff who have left SHSC)**

7.2.2.1 Where the employee has left SHSC, Victoria Pay Services (VPS) will notify the Accounts Receivable team that an overpayment has occurred. Notification will be electronically within 5 working days of VPS becoming aware of the issue and will outline the full employee information and the value of the overpayment so that an invoice can be raised.

7.2.2.2 A Payroll Overpayment form needs to be completed by VPS in all cases.

7.2.2.3 The Accounts Receivable team will then raise an invoice and either email or post the invoice, along with an accompanying letter to the debtor.

7.2.2.4 Debt collection procedures as outlined in 7.1.1.4 above will then apply will payment due immediately per 7.1.1.2 above.

### **7.3.3 Payroll overpayments (for staff still in employment with SHSC)**

7.3.3.1 As stated in the SHSC Standard Terms and Conditions of Employment Para. 25; "all monies owing to the Trust can be deducted from the employee's salary". This will be managed accordingly to HR "Overpayment of Salary" policy.

### **7.3.4 Governmental Debts: Approach to Credit Control**

7.3.4.1 SHSC is an organisation that falls within the Whole of Government Accounts boundary. As such, there is a formal quarterly process for reviewing, agreeing and disputing debtors with other Government organisations within the boundary, including for example all Foundation Trusts, Clinical Commissioning Groups, NHS England Area Teams and Commissioning Support Units as well as Local Authorities, The Department for Work and Pensions, and so on. The process is known as Agreement of Balances (AoB).

7.3.4.2 For governmental debt the standard credit control stages apply up to the stage of issue of a Final Demand.

7.3.4.3 At each stage consideration will be given to the status of the debt under Agreement of Balances.

7.3.4.4 At the point of Final Demand, (60 days. See Paragraph 7.1.1.4) and once all other avenues have been explored, rather than referral to external debt collectors the issue will be escalated to the debtor organisation's Director of Finance for resolution.

7.3.4.5 Ultimately, if these processes prove unsuccessful, the debt will be escalated to the NHS England Local Area Team for arbitration proceedings. Timetable

will depend on size and age of the debt, and each will be considered individually depending on the nature of the debt.

### **7.3.5 Debt Collection Recording**

7.3.5.1 SHSC will make all efforts to recover debts owed to the organisation and will issue reminders as per Paragraph 8 above.

7.3.5.2 All communication with debtors will be logged on the Integra Financial System within diary notes and all backing documents supporting raised invoices will be scanned into the Integra Financial System.

7.3.5.3 All issues of statements and reminder letters will be logged by the system so that a full record of the debt collection process is maintained. This will enable Financial Accounts: Accounts Receivable team members to easily progress queries originally dealt with by a colleague.

### **7.4 Disputes**

7.4.1 Where the Debtor queries the sales invoice, there are two possible scenarios:

- A. Debtor identifies that there is inadequate backup or missing information to enable them to agree the charge.
- B. Debtor disputes the invoice as they disagree with at least one of the following
  - the amount
  - service delivered; or,
  - the period to which it relates

7.4.2 Under both scenarios, at the point that the debtor raises a query with the invoice, the invoice will be logged as 'under query and on hold' on the Integra Financial System. Statements will continue to be produced, but reminder letters will be ceased temporarily during the process of active query resolution. Once the query is resolved, the credit control processes outlined in Paragraph 7 will continue.

7.4.3 For scenario A (Missing backup or information) it is the responsibility of the budget holder/manager to resolve the problem in conjunction with their Directorate Accountant. In all cases due regard will be given to Data Protection legislation and Caldicott rules when providing information about a course of treatment. See Appendix E for additional information.

7.4.4 For scenario B (Disputed) the Financial Accounts, Accounts Receivable Team will liaise with the Directorate Accountant and Budget Holder/Manager to lead the dispute resolution process.

### **7.5 Provision for Bad Debts**

7.5.1 Each quarter SHSC will review overdue debts and make a provision for debts. As per International Accounting Standard (IAS) 37 Provisions are made in the accounts for debts where a present obligation exists, it is probably that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount. In the case of 'Bad Debts' the point at which it is more likely than not that the debtor will not pay is the point a provision is recognised.

7.5.2 Provisions will be considered by reference to the following table; however, these guidelines will not automatically result in a provision being recognised. The triggers detailed below will serve for review of each outstanding debtor and the details of any

communication that had taken place and will be considered to make a judgment on each individual case. If a provision is required, the suggested rates will be as outlined below.

Category	Trigger for potential provision	Provision - if deemed appropriate following review
Non-Governmental Debts	Debt outstanding for 60 days or more	Provision of 50% of outstanding debt if > 60 days overdue. Provision of 100% of outstanding debt if > 120 days overdue
Governmental Debts	Debt outstanding for 60 days or more	Provision of 50% of outstanding debt if > 60 days overdue. Provision of 100% of outstanding debt if > 120 days overdue
Other-paying in instalments	Debt outstanding for 60 days or more	No provision if payment plan in place and being adhered to.
Other-not paying in instalments		Provision of 50% of outstanding debt if > 60 days overdue Provision of 100% of outstanding debt if > 120 days overdue

7.5.3 SHSC is committed to recovering all due amounts and only as a last resort will it consider write-off of debts.

7.5.4 Write-off of debts is classed as a Category 3c Loss under the Losses and Special Payments Policy. Therefore, for Bad Debts and Claims Abandoned the Losses and Special Payments Policy will apply, and a Losses and Special Payments form will be completed and authorised by an Executive Director to recommend write off to the Audit Committee. All Losses and Special Payments are reported to the Audit Committee quarterly for approval.

7.5.5 Waiver: Any deviations to this write-off policy must be authorised by the Director of Finance

## 7.6 Debtor Complaints procedure

7.6.1 In the event that a Debtor wishes to raise any concerns, these concerns must be raised in writing (either by email or letter) to the Complaints department at the following address, within 7 working days of the issue: -

Complaints Department  
Sheffield Health and Social Care NHS Foundation Trust  
Fulwood House

Old Fulwood Road  
Fulwood  
Sheffield  
S10 3TH

7.6.2 The Head of Financial Accounts will investigate the concern and provide a written reply within 14 working days of the receipt of the letter or e-mail.

7.6.3 In the event that the debtor wishes to progress the matter further they must then write to the Deputy Director of Finance at the address above, who will then make a final decision.

## **8 Development, Consultation and Approval**

The policy has been reviewed on its expiry date. The consultation with key stakeholders has resulted in no changes to the spirit of the policy. However, minor cosmetic changes have been made and the selection of words changed to give more clarity to the policy.

The previous version of this policy has been transferred onto the new Policy Template and follow common practice from other NHS organisations.

The policy review date is 30 August 2023.

### **8.1 Equality and Diversity**

The Trust is committed to an environment that promotes equality and embraces diversity in its performance as an employer and service provider. It will adhere to legal and performance requirements and will mainstream equality and diversity principles through its policies, procedures, and processes. This policy should be implemented with due regard to this commitment.

This policy does not have an adverse impact in response to the requirements of the Equality Act 2010. The Trust will take action when necessary to address any unexpected or unwarranted disparities and monitor workforce and employment practices to ensure that this policy is fairly implemented.

This policy and procedure can be made available in alternative formats on request including large print, braille, moon, audio cassette, and different languages. To arrange this please contact the Equality & Diversity Team in the first instance.

Sheffield Health & Social Care will endeavour to make reasonable adjustments to accommodate any employee with particular equality and diversity requirements in implementing this policy and procedure. This may include accessibility of meeting venues, providing translation, arranging an interpreter to attend meetings, extending policy timeframes to enable translation to be undertaken, or assistance with formulating any written statements.

## 9 Audit, Monitoring and Review

9.1 The Financial Accounts: Accounts Receivable team will run an aged debt report each month which will include comparison of total debt against plan, a report of all outstanding debts over 90 days old and over £5,000 and will highlight current issues or disputed items. This will be reported to SHSC Finance & Performance Committee and to SHSC Trust Board within the monthly finance report.

9.2 This procedure will be reviewed on a 2-yearly basis or earlier as demanded by business needs.

9.3 The policy will be monitored as follows:

<b>Monitoring Compliance Template</b>						
Minimum Requirement	Process for Monitoring	Responsible Individual/group/committee	Frequency of Monitoring	Review of Results process (e.g. who does this?)	Responsible Individual/group/committee for action plan development	Responsible Individual/group/committee for action plan monitoring and implementation
Policy	Review, audit	Head of Financial Accounts	Every 2 years	Author, Executive Director of Finance	Finance SMT Finance & Performance Committee	Author Finance SMT Finance & Performance Committee

Policy documents should be reviewed every two years or earlier where legislation dictates, or practices change. The next review date is 30 August 2023.

## 10 Implementation Plan

Action / Task	Responsible Person	Deadline	Progress update
Upload new policy onto intranet and remove old version	Corporate Governance to arrange this via the Communications Team	31/10/2021	

All staff communication in Connect.	<i>Corporate Governance to arrange this via the Communications Team</i>	31/10/2021	
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## 11 Dissemination, Storage and Archiving (Control)

Version	Date added to intranet	Date added to internet	Date of inclusion in Connect	Any other promotion/ dissemination (include dates)
1.2	12/2014			
1.3	09/2016			
2.0	09/2019			
3.0	09/2021	Not for internet	09/2021	Tbc

## 12 Training and Other Resource Implications

12.1 Staff involved in Income Collection by virtue of their role either as a Budget Holder or in support of a budget holder, will receive individual training from the Financial Accounts Team. This will usually be when the budget manager first requests inclusion on the Authorised Signatory Database.

12.2 Management Accounts - Divisional Finance will receive training from the Financial Accounts Team as part of their induction.

12.3 Financial Accounts – Accounts Receivable staff will receive training in this policy from existing members of the Financial Accounts team as part of their induction.

## 13 Links to Other Policies, Standards (Associated Documents)

13.1 This policy further expands on the requirement in the Trust Standing Financial Instructions at Paragraph 6.3 Debt Recovery, that the Director of Finance is responsible for the appropriate recovery action on all outstanding accounts receivable. It provides guidance as to the roles and responsibilities of staff for each element of the Income Collection process.

13.2 Please also refer to the Trust's Losses and Special Payments Policy.

## 14 Contact Details

<b><i>Title</i></b>	<b><i>Name</i></b>	<b><i>Phone</i></b>	<b><i>Email</i></b>
Head of Financial Accounts	Gabriel Recalde	0114 226 4470	<a href="mailto:Gabriel.recalde@shsc.nhs.uk">Gabriel.recalde@shsc.nhs.uk</a>
Capital and Technical Accountant	Dave Spooner	0114 271 8746	<a href="mailto:Dave.spooner@shsc.nhs.uk">Dave.spooner@shsc.nhs.uk</a>
Finance Officer	Jane Young	0114 271 8746	<a href="mailto:Jane.young@shsc.nhs.uk">Jane.young@shsc.nhs.uk</a>





## Appendix A

### Equality Impact Assessment Process and Record for Written Policies

**Stage 1 – Relevance** - Is the policy potentially relevant to equality i.e. will this policy potentially impact on staff, patients or the public? This should be considered as part of the Case of Need for new policies.

**NO** – No further action is required – please sign and date the following statement.  
**I confirm that this policy does not impact on staff, patients or the public.**

***I confirm that this policy does not impact on staff, patients or the public.***

Name/Date: Gabriel Recalde, 16.08.2021

**YES, Go to Stage 2**

**Stage 2 Policy Screening and Drafting Policy** - Public authorities are legally required to have 'due regard' to eliminating discrimination, advancing equal opportunity and fostering good relations in relation to people who share certain 'protected characteristics' and those that do not. The following table should be used to consider this and inform changes to the policy (indicate yes/no/ don't know and note reasons). Please see the SHSC Guidance and Flow Chart.

**Stage 3 – Policy Revision** - Make amendments to the policy or identify any remedial action required and record any action planned in the policy implementation plan section

SCREENING RECORD	Does any aspect of this policy or potentially discriminate against this group?	Can equality of opportunity for this group be improved through this policy or changes to this policy?	Can this policy be amended so that it works to enhance relations between people in this group and people not in this group?
Age	n/a	n/a	n/a
Disability	n/a	n/a	n/a
Gender Reassignment	n/a	n/a	n/a
Pregnancy and Maternity	n/a	n/a	n/a

<b>Race</b>	n/a	n/a	n/a
<b>Religion or Belief</b>	n/a	n/a	n/a
<b>Sex</b>	n/a	n/a	n/a
<b>Sexual Orientation</b>	n/a	n/a	n/a
<b>Marriage or Civil Partnership</b>	n/a		

Please delete as appropriate: - Policy Amended / Action Identified (see Implementation Plan) / no changes made.

Impact Assessment Completed by: Gabriel Recalde, Head of Financial Accounts. 16/08/2021

## Appendix B

# Review/New Policy Checklist

This checklist to be used as part of the development or review of a policy and presented to the Policy Governance Group (PGG) with the revised policy.

		Tick to confirm
<b>Engagement</b>		
1.	Is the Executive Lead sighted on the development/review of the policy?	✓
2.	Is the local Policy Champion member sighted on the development/review of the policy?	✓
<b>Development and Consultation</b>		
3.	If the policy is a new policy, has the development of the policy been approved through the Case for Need approval process?	n/a
4.	Is there evidence of consultation with all relevant services, partners and other relevant bodies?	✓
5.	Has the policy been discussed and agreed by the local governance groups?	✓
6.	Have any relevant recommendations from Internal Audit or other relevant bodies been taken into account in preparing the policy?	✓
<b>Template Compliance</b>		
7.	Has the version control/storage section been updated?	✓
8.	Is the policy title clear and unambiguous?	✓
9.	Is the policy in Arial font 12?	✓
10.	Have page numbers been inserted?	✓
11.	Has the policy been quality checked for spelling errors, links, accuracy?	✓
<b>Policy Content</b>		
12.	Is the purpose of the policy clear?	✓
13.	Does the policy comply with requirements of the CQC or other relevant bodies? (where appropriate)	n/a
14.	Does the policy reflect changes as a result of lessons identified from incidents, complaints, near misses, etc.?	n/a
15.	Where appropriate, does the policy contain a list of definitions of terms used?	✓
16.	Does the policy include any references to other associated policies and key documents?	✓
17.	Has the EIA Form been completed (Appendix 1)?	✓
<b>Dissemination, Implementation, Review and Audit Compliance</b>		
18.	Does the dissemination plan identify how the policy will be implemented?	✓
19.	Does the dissemination plan include the necessary training/support to ensure compliance?	✓
20.	Is there a plan to i. review ii. audit compliance with the document?	✓
21.	Is the review date identified, and is it appropriate and justifiable?	✓

**FINANCE DEPARTMENT**

**GUIDANCE ON THE USE/COMPLETION OF THE  
ACCOUNTS RECEIVABLE DEBTOR REQUEST FORM**

1. This form (attached) should be used when it is necessary to raise an invoice for goods/services provided to an external organisation or individual. It should not be used for recharges between internal SHSC departments – an inter-departmental transfer (IDT) form should continue to be used for that purpose.
2. When completing the Debtor Request Form, please clearly state the name of the individual/organisation to be invoiced and their full postal address. If the details are not enclosed the form will be returned to the originating officer.
3. To avoid queries and ensure prompt payment ensure that the narrative to be entered on the invoice is as detailed and self-explanatory as possible. The first line should include details to appear on any ledger enquiry. Order numbers where available must be quoted. Some organisations (Local authorities, DOH and most Universities) will not accept an invoice unless their order number is quoted. Should a request to raise an account for one of these organisations be received without the order number then the document will be returned to the originating officer with a request for full details.
4. To enable income to be readily identified and analysed, it is essential that invoices are coded to the appropriate income code and not to an expenditure code (which would result in the invoice being “netted off” against expenditure). The nominal code quoted on the debtor request should be an active code on Integra. If the code has been de-activated then the debtor request will be passed back to the originator to resolve.

The main income code (i.e. the 7<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> digits) will be within the range 600 – 799. Codes relating to NHS and WGA bodies must use the unique organisation code of the debtor and the general income codes must not be used.

Please ensure that the correct code entered on the request. If in doubt as to the appropriateness of a code please contact Divisional Accounts.

Where appropriate, a line for chargeable VAT must be added. VAT is not chargeable to other NHS organisations but should be charged to organisations where the income is for SCAIS, 2<sup>nd</sup> request of medical notes, transport charges or similar. The VAT must not be added to the income but included as a separate line on the form.

Further details on chargeable VAT can be obtained from Financial Accounts (2718746 or 2716376) or [accounts.receivable@shsc.nhs.uk](mailto:accounts.receivable@shsc.nhs.uk)

5. On completion, please forward the form to:-

Management Accounts - Divisional Finance Section  
Finance Department  
Sheffield Health & Social Care NHS Foundation Trust  
Fulwood House  
Sheffield  
S10 3TH

The Management Accounts - Divisional Finance section will check the accuracy of the request (coding, value, debtor details) before it is passed to the Financial Accounts: Accounts Receivable for the invoice to be raised.

Once the invoice is prepared a copy will be returned for your records.

6. A supply of pre-printed or a spread-sheet template of the Debtor Account Request Forms are available from [Accounts.receivable@shsc.nhs.uk](mailto:Accounts.receivable@shsc.nhs.uk) or your Directorate Accounts contact.

REVENUE INVOICE - DEBTOR ACCOUNT REQUEST FORM



**Sheffield Health  
and Social Care**  
NHS Foundation Trust

To: The Director of Finance, Fulwood House

From  
Tel

Please raise an invoice to the following customer for the service detailed below:

Customer Name / No AAAXXX  
Customer Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
For The Attention of: \_\_\_\_\_

Details of Charge	£	Integra Code
Narrative - including date of service provided where applicable.		01 XXXX / XXX - XXXX / 00000
Any queries please contact NAME on TELEPHONE NUMBER		
Queries to:		TOTAL

Signed \_\_\_\_\_

Checked by  
Management Accounts \_\_\_\_\_

Date \_\_\_ / \_\_\_ / \_\_\_

Date \_\_\_ / \_\_\_ / \_\_\_

Position held: \_\_\_\_\_

Budget Managers/holders should receive a copy of the above Sales Invoice within a few days, if not please contact Financial Accounts: Accounts Receivable (Tel 2716751).

**NOTES TO BUDGET HOLDER:**

The income will show on your cost centre immediately, however this does NOT reflect payment of the invoice.

If the debtor account is not paid within 30 days, Debt collection processes as outlined in the SHSC Income Collection Policy, will commence.

You will be required to assist in resolving any dispute regarding this charge to enable payment to be collected.

Ultimately, if not collected, consideration may be given to having the debt written off through the losses and special payments procedure.

All debts over 90 days old and over £5,000 are reported quarterly to the Audit and Assurance Committee.

A summary of all debts, including specific information on key outstanding debts, is reported monthly to the Finance and Investment Committee and to Trust Board.

**FINANCE DEPARTMENT**

**GUIDANCE ON THE USE/COMPLETION OF THE  
ACCOUNTS RECEIVABLE CANCELLATION FORM**

1. Where a Sales invoice requires cancellation, either in full (possibly due to raising to an incorrect customer), or in part (due to error, adjusted value due to contract performance, original based on an estimate etc.), the cancellation must be requested using the cancellation form attached.
2. All sections of the form should be completed. It is particularly important that the reason for cancellation is complete and one of the following reason boxes selected:
  - Incorrect Customer / Details
  - Duplicated
  - Incorrect Price
  - To be deducted from salary
  - Write off
  - Other
3. In the event of a write off, the debt must also be recorded in accordance with the Trust's Losses and Special Payments policy. This requires the completion of a Losses and Special Payments form which should be appropriately approved and attached to the cancellation form. All Losses and Special Payment forms require Executive sign-off at an appropriate level per the Losses and Special Payment policy. All Losses and Special Payments are approved by the Audit and Assurance Committee on a quarterly basis in accordance with the Trust's Standing Financial Instructions.
4. On completion, please forward the form to:-

Management Accounts - Divisional Finance Section  
Finance Department  
Sheffield Health & Social Care NHS Foundation Trust  
Fulwood House  
Sheffield  
S10 3TH

The Divisional Accounts section will check the accuracy of the request (coding, value, debtor details) before it is passed to the Financial Accounts: Accounts Receivable for the Credit note to be raised.

Once the Credit note is prepared a copy will be returned for your records.

5. A supply of pre-printed or a spread-sheet template of the Cancellation Forms are available from [Accounts.receivable@shsc.nhs.uk](mailto:Accounts.receivable@shsc.nhs.uk) or your Directorate Accounts contact.

**DEBTOR CANCELLATION FORM**

Status (Delete whichever is not applicable)

Total Cancellation	Part Cancellation	Cancel & Re-invoice
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Debtor No.  /

Debtor Name

Invoice No.  2  1  0  0  0

Inv. Date

£

ENTER AMOUNT TO CANCEL AND FINANCIAL CODE

0  1  -  /  -  /  0  0  0  0  0

£

0  1  -  /  -  /  0  0  0  0  0

£

0  1  -  /  -  /  0  0  0  0  0

£

0  1  -  /  -  /  0  0  0  0  0

£

0  1  -  9  1  0  0 /  8  0  8 -  4  9  1 E /  0  0  0  0  0

£

Reason For Cancellation

Officer Creating Form  Date

Departmental Head  Date

Directorate Accountant  Date

Authorised By Sales Ledger  Date

Input By  Date

Incorrect Customer / Details  
 Duplicated  
 Incorrect Price

To Be Deducted From Salary  
 Write Off  
 Other

Integra Reference No.  2  2  0  0  0  0



**FINANCE DEPARTMENT**

**GUIDANCE ON DATA PROTECTION  
AS IT APPLIES TO THE RAISING OF DEBTOR INVOICES**

1. Invoice validation is an essential procedure in the financial management of health and social care services. The process ensures that providers are reimbursed correctly for the care and treatment they have delivered to patients. It involves checking that the correct patient received the treatment as specified and that the right commissioner has been identified too.
2. In raising an invoice to a commissioning body there is a requirement for that commissioning body to reassure itself that the invoice is theirs to pay and relates to a service user for which they commission healthcare.
3. The Secretary of State for Health has approved the NHS England application for support under Regulation 5 of the Health Service (Control of Patient Information) Regulations 2002 (Section 251 Support). This allows Clinical Commissioning Groups (CCGs) and Commissioning support Units (CSUs) to process Personal Confidential Data (PCD) which are required for invoice validation purposes. This approval is subject to a set of conditions. The advice at <http://www.england.nhs.uk/ourwork/tsd/ig/in-val/> explains these conditions and sets the actions that CCGs, CSUs and Providers must now take in order to ensure they are acting lawfully.
4. The NHS England guidance ***Who Pays? Determining responsibility for payments to providers (Gateway Reference 00385)*** refers and can be found at the link above.