



DEBT RECOVERY POLICY

Member of staff responsible: Lorraine Shaw

Ratified by Governors: November 2020

Next Review Date: November 2021

Review Cycle: Annually

1 INTRODUCTION

- 1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.
- 1.2 This policy sets out the procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable.
- 1.3 This policy describes how the school will take all reasonable measures to vigorously collect debts as part of its management of public funds.

2 PROCEDURES FOR INDIVIDUALS AND ORGANISATIONS

- 2.1 Payment should be obtained as and when goods/facilities/services are provided wherever possible; in particular, where the value of goods and services are relatively small, i.e. less than £100.
- 2.2 Where payment is not received at the time when the goods/professional services/facilities are delivered, for example to external organisations, an invoice must be raised as soon as possible, but normally within 7 days of the goods/services/facilities being provided.
- 2.3 Invoices should state that the bill is due and payable at the invoice date.
- 2.4 If no payment is received within 21 days from date of issue of the invoice a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.
- 2.5 Where only part of the debt has been settled, a final reminder for the balance outstanding should be issued 21 days from the issue of the invoice. The final reminder should clearly state that services or facilities will be withdrawn or stopped.
- 2.6 Where a debtor requests permission to settle the debt by instalments and extend the normal terms and conditions of supply, they must submit an application in writing explaining the reasons for their inability to meet the original contract terms. The Headteacher and Chair of Resources Committee will agree the revised terms, which must not exceed 49 days from the date of issue of the invoice. If the debt is not settled within the terms set by the Headteacher and Chair of Resources Committee, then a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.
- 2.7 At each meeting of the Governing Body/Resources Committee, the Headteacher is required to inform the Governors of any debt which is still outstanding after the 14-day period following the final reminder, together with any proposed action: This may be a referral to solicitors for legal action, a debt collection agency or to write-off the debt if there is no realistic prospect of debt recovery being successful, or if further action is not cost-effective. This action will only be taken after careful consideration and of the amount outstanding and the school's effort, time and reputation.
- 2.8 Outstanding debt of up to £50 may be written-off by the Headteacher provided that the appropriate follow-up actioned outlined above has been taken and the details of the debtor, amount written-off and the reason for no further action being taken is reported to the Resources Committee for information at their next meeting.
- 2.9 Write-off of outstanding debt in excess of £50 must be approved by the Resources Committee following submission of details of the debt by the Headteacher together with reasons for no further action being taken.
- 2.10 A write-off must not be communicated to the debtor. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records.

2.11 Individuals or organisations that have previously defaulted on payments to the school are not allowed credit facilities and may not be allowed access to any future services.

2.12 Where a debtor's payments are regularly or consistently paid outside the terms of supply, the Headteacher must consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities at the time they are used.

3 SCHOOL MEALS, SERVICES AND OTHER PROVISIONS

3.1 Bush Hill Park Primary School has a strict NO DEBT policy relating to the provision of school meals, wrap-around provision (including breakfast and after school clubs), privately funded nursery fees, sports clubs and holiday camps. This means that in effect, all of these services need to be paid in advance. Please note that this list is not exhaustive, and includes any adhoc services introduced and offered during the year with terms and conditions stating the requirement for payment in advance.

3.2 If debts are incurred, then the school will need to consider how the debt can be best managed. Debt accrued may mean money which should be spent on child(ren)'s education is used to pay for debts incurred by parents. Every parent will agree that this is unacceptable and we request that all parents give this policy their full support.

3.3 Parents must pay in advance for school meals, wrap-around provision (including breakfast and after school clubs), privately funded nursery fees, sports clubs and holiday camps using the payment methods outlined below:

- Credit/Debit Cards Online using ParentPay
- PayPoint Cards (ask in the office about PayPoint payments)

3.4 If a parent genuinely forgets to pay in advance for a school dinner, the school may grant a debt allowance of 1 meal. However, this debt must be paid immediately using the above payment method together with a sum for future meals otherwise the school will be unable to provide further meals.

3.7 If there are insufficient funds on a child's account for a school dinner, then parents will be required to provide a packed lunch for their child. If there is insufficient credit on a child's account and a packed lunch has not been provided, the school will contact the parent to ask them what arrangements they have made to provide their child with food.

3.8 If payment of a debt for a school meal or any school service or provision, is not received within five days, the school reserves the right to begin debt management proceedings against parents to recover the debt, which may result in legal action.

3.9 The LA Children's Services may also be informed about a parent not making payment for their child's school meals and not providing a packed lunch in its place, as they will not be carrying out their responsibility of care to provide food for their child at lunchtime.

4 ELIGIBILITY TO GOVERNMENT FUNDING

4.1 If parents believe that their children may qualify for entitlement to Free School Meals (FSM) then they must contact the office for further information. The allowance for Free School Meals is a statutory entitlement and should be claimed if your child qualifies. In order to qualify, you will be required to complete an application form and provide any evidence which may be requested. Free School Meal entitlement will only apply from the date the evidence has been received and the application has been approved. It cannot be backdated. The School will support parents with the application.

4.2 Children will not be provided with a full school lunch unless it is paid for in advance or the child is entitled to a Free School Meal or Universal Infant Free School Meals (UIFSM).

The school will however provide some bread or a sandwich with a fruit snack and water in order for the child to not go hungry.

5 ARRANGEMENTS FOR MONITORING AND EVALUATION

We hope that by implementing this debt policy we are able to help parents manage school dinner money and any other purchased school service or provision better and at the same time ensure that all money needed for children's learning is available.

The Resources Committee will monitor this policy and receive a yearly update on any current debts or debts written off.