

RED HILL FIELD PRIMARY SCHOOL



DEBT RECOVERY POLICY

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Approved by:	<i>Governing Body</i>	Next Review Date:	February 2022



Debt Recovery Policy

Red Hill Field Primary School

1 Introduction

Any money owed to school has an impact on the budget and may affect the resources we can provide to all children. We hope that parents understand this and will make every effort to avoid owing the school money.

The school will take all reasonable measures to collect debts as part of its management of public funds and will make all parents aware of this policy and the school's procedures. This policy and information will also be published on the school website.

2 Breakfast and After-School Clubs

As per the Before and After School Club Agreement signed by the parent/carer, we recommend that payment is made monthly. Reminders will be sent but it is the parent's responsibility to check their due balance on ParentPay. Payment is required for all days booked even if the child does not attend, the exceptions being when school is closed. Should the child no longer require a place the parent/carer is to advise the School office at least 24 hours in advance, otherwise the parent/carer is still liable for charges. Should the parent/carer fall into arrears and fail to make an immediate payment, the club place will be suspended until the arrears is paid. If the balance is two or more months in arrears the child's reservation in the club may be terminated.

3 School lunch

We recommend that payment is made a minimum of one week in advance and a credit balance is maintained at all times. The parent/carer can decide daily on whether the child has a school lunch but this must be booked and paid for on ParentPay by 8am on the day. Should the parent/carer fall into arrears of **more than one week** and fail to make a payment within one week of receiving a reminder letter, a further letter will be sent advising the parent/carer that their child will no longer be entitled to a school lunch and that they should send their child to school with a packed lunch. Failure for the parent/carer to provide their child with a packed lunch may result in involving the school's child protection officer.

4 Reporting of outstanding debt levels

The Office Staff/School Business Manager will ensure that the level of outstanding debt is regularly monitored. Suitable records will be maintained to detail individual debts and the total value of debt to the school in order that it can be determined at any time and reported to the Finance Committee and/or Governing Body. The Finance Committee and/or Governing Body will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective. Details of all reminders will be maintained in school. Where a letter is issued, a copy must be retained in file.

5 Debt Recovery Procedures

Where payment from the parent/guardian has not been received the following process should be applied:

First 'overdue payment' reminder letter - If by Monday no payment has been made the 1st formal reminder letter will be sent home advising if full payment is not received immediately their child's breakfast club/after-school club/school lunch place WILL be suspended.

Second 'overdue payment' reminder letter - If full payment is not received by the following day the 2nd formal reminder letter will be sent home advising their child's breakfast club/after-school club/school lunch place HAS been suspended. Payment or a repayment plan must be made by Friday otherwise place will be cancelled. A follow up phone call will be made to the parent/carer as they will need to make other arrangements.

Third (FINAL) 'overdue payment' reminder letter - If by the following Monday no payment or response is made, the 3rd formal reminder letter will be sent home advising this is a Final reminder and payment must be received by Friday otherwise this will result in the school taking possibly legal action.

6 Staff Debt Recovery

Staff debts can accumulate from staff school lunches they have taken. A standard Parent Pay letter will be emailed on the Monday advising of the debt. By the following Monday if the debt is still outstanding the same letter will be handed to them in person in the strictest of confidence and a school lunch will not be provided until the debt is paid in full.

7 Negotiation of repayment terms

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the first 'overdue payment' reminder. Failure to meet any repayment terms will result in the school taking possible legal action.

However, if people are unable to pay;

The School may reduce or cancel a debt in certain circumstances. A sensitive approach to debt recovery will be carried out, taking the following factors into account.

- Hardship – where paying the debt would cause financial hardship.
- Ill health – where our recovery action might cause further ill health.
- Time – where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
- Cost – where the value of the debt is less than the cost of recovering it.
- Multiple debts – where someone owes more than one debt to the School. In this situation an attempt to agree one repayment plan to include all debts will be established.

If a debtor requests for 'repayment terms' these may be negotiated at the discretion of the Headteacher/School Business Manager. A record of all such agreements entered into will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment. The settlement period should be the shortest that is judged reasonable. The Headteacher/School Business Manager will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and in future will be required to pay in advance.

8 Costs of debt recovery

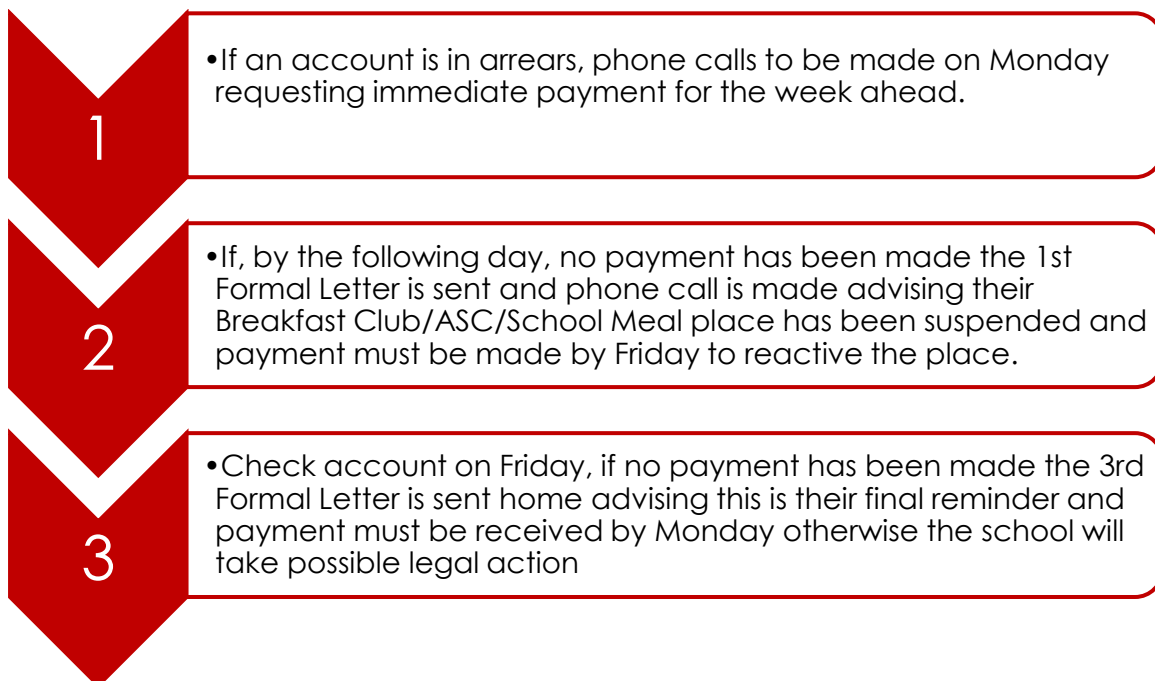
Where the school incurs material additional costs in recovering a debt then the Finance Committee and/or Governing Body will decide whether to seek to recover such costs from the debtor. The debtor will be formally advised in writing that they will be required to pay the additional costs incurred by the school in recovering the debt. This decision and its basis will be recorded and reported to the Finance Committee and/or Governing Body.

9 Bad debts

Write-off of any debt needs to be referred to the Trust Finance Director.

A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

Debt Recovery Process



If a payment plan to recover a debt is required, the parent signs one copy in agreement and returns to the School Office and it is kept on file.