




Debt Recovery Policy

Rise Park Primary and Nursery School

Signed by Chair of Committee	
Print Name	Jeanette Kirkby
Date	June 2024
Date of review	June 2026

1. General requirements

Rise Park Primary and Nursery School will take all reasonable measures to effectively collect debts as part of the schools management of public funds. A debt will be written off only after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it.

The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements. In particular:

- The formal agreement of the Local Authority's Director of Finance and Resources (Section 151 Officer) will be obtained before a debt exceeding £1,000 is written off. (if any debtor has a number of debts which together exceed the write off limit then these will be treated as a total amount).
- Debts greater than £10,000 can only be written off by the Executive member of finance on advice of the section 151 officer.
- A formal record of any debts above £1000 written off will be maintained and this will be retained for 7 years (the form of this record is specified below).
- The school will not initiate any legal action to recover debts, but will refer any debts which it has not been able to collect (unless a decision to write-off the debt is deemed a reasonable course of action) to the Council's Legal services section to consider taking legal or other action to recover the debt.

2. Acceptable 'credit period'

Invoices

In general payment for all goods and services supplied by the School should be collected in advance or at least within **30 days upon receipt of an invoice**.

Breakfast Clubs

As per the agreement and offer letter signed by the parent/carer, we recommend that payment is made a minimum of one week in advance and a credit balance is maintained at all times. Payment is required for all days booked and the child attends. Should the parent/carer fall into arrears, the club reserves the right to withdraw the child's place.

School Lunch

We recommend that payment is made a minimum of one week in advance and a credit balance is maintained at all times. When a child has a school lunch they go through the Arbor system which registers the meal for payment, the parent/carer can then make the payment on line. Should the parent/carer fall into arrears and fail to make a payment weekly payment reminder texts will be sent. Should the arrears not be cleared a letter will be sent to advise 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.

3. Reporting of outstanding debt levels

The Headteacher/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. Should the overall level of debt exceed £1000.00 then details will be discussed as part of a standing item on the FGP committee agenda, whereby the committee will discuss and decide any further actions.

4. **Debt Recovery Procedures**

Where payment from the parent/carer has not been received within the above acceptable credit period the following process should be applied.

STEP ONE: First 'overdue payment' reminder text/letter.

An initial reminder text/letter will be sent home requesting the account be credited with the outstanding amount as soon as possible. A text/letter will be sent on two occasions before proceeding to the next step.

STEP TWO: Second 'overdue payment' reminder letter (WARNING LETTER)

If full payment is not received within 7 days of the reminder text/letter then letter two will be sent home advising that their child's breakfast club/lunch place has been cancelled.

Payment or a repayment plan must be made within a further 7 days of the warning letter. A follow up phone call will be made to the parent/carer as they will need to make other arrangements.

STEP THREE: Third (FINAL) 'overdue payment' reminder letter (combined amount equalling £50 plus).

If after 14 days of the initial reminder text/letter no payment or response is made, letter three will be sent home advising this is a final reminder and payment must be received immediately otherwise the Council's Legal Service will be contacted. Parents/Carers will be reminded that payment can be made preferably on-line, in person with cash or by card at the school office.

5. **Negotiation of repayment terms**

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the initial 'overdue payment' reminder.

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 Debt – 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.

6. Costs of debt recovery

Where the school incurs material additional costs in recovering a debt then the Headteacher 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 recovered and reported to the Governor committees.

Debt Recovery Process

check all accounts
Text/letter goes out to all parents with arrears. Send out through Arbor
2nd week – check debt account
Second text/letter goes out to all parents with arrears. Send out through Arbor
3rd week – check debt account
Letter 2 to be sent out for payment or repayment plan.
4th week
Letter 3 to be sent home.

Annexe A

Letter Two

We are now writing to you in line with our Debt Recovery Policy, a copy of which is available on our website.

Our records show that despite numerous reminders, you have still not made payments on Breakfast Club/dinners for your child.

As a result their Breakfast Club/dinners will now be cancelled.

As at today your account is showing a debt of £....

Please arrange for this money to be paid immediately or contact the school to arrange a payment plan.

Once the debt is cleared please ensure your child's account is always in credit. You have two ways to pay the outstanding amount:

1. Online payment via Arbor, using the login already provided.
2. In cash at school or card payment at school.

No matter how you pay you can check your account balance at any time by logging into your Arbor account. You can also see what meals have been taken and when.

If you have any queries regarding these arrears, please contact the School Office to discuss.

Yours sincerely

Janet Molyneux
School Business Manager

Annexe B

Letter Three

FINAL REMINDER

We are now writing to you in line with our Debt Recovery Policy, a copy of which is available on our website.

It has been brought to my attention that despite numerous reminders there is still an outstanding balance on your Breakfast club/Dinner/Guitars account for your child.

As at today your account is showing a debt of £...

Please arrange for this money to be paid by (FRIDAY and date) at the **latest**. Your account will be checked on Monday morning and should the account be showing an outstanding balance or you have not contacted the school to arrange a payment plan; the council's Legal Services will be contacted.

Once the debt is cleared and should you wish your child to resume Breakfast Club/Dinner/Guitars, can you please contact Miss Lockwood or Mrs Molyneux in the school office to discuss regular payments.

Please be aware that if the debt is to increase again the school reserves the right to potentially proceed straight to the Final Reminder stage.

You have three ways to pay the outstanding amount.

1. Online payment via Arbor.
2. By card at the school office.
3. By cash at the school office.

No matter how you pay you can check your account balance at any time by logging into your Arbor account. If you need assistance with this then please contact the school office.

If you have any queries regarding these arrears, please do not hesitate to contact me.

Yours sincerely

Janet Molyneux

