



**The Federation of the Church Schools
of Shalfleet and Yarmouth
Achieving Together for a Brighter
Future**

DEBT RECOVERY POLICY

Approved by	Finance
Portfolio	Finance
Approved on	September 2018
Review date	September 2019
Review Cycle	1 Year
Policy Type	Statutory
Ratified FGM	

Statement of Intent:

- The Federation of the Church Schools of Shalfleet and Yarmouth Primary (which includes Little Stars Pre-School) will pursue the collection of monies owed to it.
- Either school will ensure confidentiality, and the anonymity of the families involved will be preserved at all times.

Rationale:

- If debts are incurred, then the school's budget has to be used to pay for them. This may mean that money that should be spent on children's education is used to pay for debts incurred by families. We hope that parents will agree that this is unacceptable, and we therefore request that families will give this policy their full support.
- As a publicly funded body, we need to ensure that our finances are responsibly managed.
- The Federation of the Church Schools of Shalfleet and Yarmouth will take all reasonable measures to recover debts as part of its management of public funds. Certain costs that are covered by parents require us to have a fair and equitable accountability for all parents.
- A debt will only be written off after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it.

The school is required to ensure that:

- All invoices outstanding are accurately recorded and maintained, including the date by which the invoice must be paid.
- There is documentary evidence of all the steps undertaken by the school to recover any debts. This includes the dates that invoices and statements were distributed and/or phone calls, text messages, letters or emails that have been sent to debtors.
- In all other cases, correspondence with parents should indicate the maximum period that the school regards as reasonable before payment is overdue, including in cases where an alternative payment plan has been negotiated to support families experiencing hardship.

Making payments:

Parents/carers can pay for trips, clubs and school meals using either cash, a cheque made payable to the school or preferably via the Tucasi online payments system. Details on how to use the cash free system on line can be obtained by the reception staff at either school. Cash and cheques should be placed in a sealed, named envelope and placed in the black post-box outside of the school office (please note that only cash under £5.00 can be deposited in the box and the school will not be responsible for any monies over this amount that have been deposited in the box. Please ask at the school office if you require further assistance.

School Trips:

As a Federation we do our best to advise parents/carers of school trips as far in advance as possible to give parents/carers time to pay before the trip takes place. We send letters

home with the cost of the trip, and will include options for payment plans where appropriate. If this is the case (such as with residential trips in Y5 and Y6), specific dates are given well ahead of time to indicate when payments are due.

In some cases, deposits paid to external providers by the school on behalf of parents are non-refundable. Parents committing to their child participating in the trip will be required to honour this commitment, even if they later choose to pull out of the trip, unless in exceptional circumstances. If parents/carers refuse to pay commitments due, the cost of the trip may unfairly increase for those pupils still participating, or the trip may have to be cancelled if it is considered to be financially unviable.

In exceptional circumstances, a longer term payment plan may be negotiated in discussion with the Headteacher. In this case, terms will be agreed on an individual basis to ensure that pupils are not excluded from participating.

School Meals:

The Governing Body of the Federation of the Church Schools of Shalfleet and Yarmouth have adopted a low debt policy relating to the provision of school meals. This means that all money for school meals should be either paid in advance, on the day, or at the end of the week the meals were taken.

If parents/carers believe their children may be entitled to free school meals, they should contact the school office for further help and advice. The allowance for a free school meal is a statutory entitlement, and it is important for families to use it if they qualify. In order to qualify, families will be required to provide evidence of entitlement. Free school meal entitlement will only apply from the date the evidence is received at the school office; entitlement cannot be backdated. The school will help as much as possible with any applications. Further information is also available on www.iwight.com (search for 'Free School Meals').

If a parent/carer genuinely forgets to pay, the school may grant a debt allowance of one week. However, this debt must be paid by the end of the week the meals were taken. Should parents incur further school meals debt, the Headteacher reserves the right to request that parents provide their child with a packed lunch until the outstanding debt is paid.

The school hopes that by implementing this debt policy we are able to help parents manage school lunch money more efficiently, and at the same time ensure that all money available for children's learning is spent on precisely that.

Lettings and hire of facilities:

Lettings and hire of facilities must be agreed by the School Business Manager, and the relevant booking form completed and returned to the school office. Invoices will be raised monthly for regular bookings, and the day after any one-off bookings.

Payment terms are 30 days from the date of the invoice. Shalfleet and Yarmouth School reserves the right to terminate any bookings due to failure of keeping to the payment terms.

Initial Reminders

Initial reminders may be informal and made either in person (e.g. when a parent/carer comes to collect/drop off a child) or by telephone. This can also include invoices for items such as lettings etc.

First Reminder Letter

A formal reminder should be issued two weeks after any informal reminder / date of supply. If action is to proceed further, it is necessary to prove that all reasonable attempts have been made to recover the debt, and that these attempts have been made in a timely manner (i.e. at the time that the debt first became overdue).

Second Reminder Letter

A second reminder letter will be issued two weeks after the first reminder letter. Details of all reminders, whether verbal or in writing, should be maintained. Where a letter is issued or an email sent, a copy should be kept on file.

Failure to Respond to Reminders / Settle a Debt

If no response is received from the reminders issued, a letter will be sent to the debtor inviting them to a meeting with the Headteacher.

At this meeting it is at the discretion of the Headteacher to agree to a payment plan being set up. Personal circumstances will be taken into account.

If the payment plan is not adhered to, or if the debtor does not attend the meeting, a letter will be sent to the debtor advising them that the matter will be referred to the small claims court, or, if the debt is greater than £500, to a collection agency.

Once the matter has been referred to a collection agency, no further arrangements can be made with the school but will be handled by the collection agency.

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' reminder letter. If a debtor asks for 'repayment terms' these may be at the discretion of the Headteacher. A record of all such agreements will be kept. A letter will be issued to the debtor confirming the agreed terms. The settlement period should be the shortest that is judged reasonable.

The Headteacher will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will be required to pay in advance in future. If the debtor does not adhere to the repayment plan then referral to a collection agency will be deemed as a last resort action.

Costs of Debt Recovery

Where the school incurs additional material costs in recovering a debt then the Governors will decide whether to seek to recover such costs from the debtor. This decision and its basis will be recorded. The debtor will be formally advised that they will be required to pay additional cost incurred by the school in recovering the debt.

The Governing Body has agreed:

- The arrangements for debt recovery.
- That four weeks is the absolute maximum level of school meal debt which any family would be able to incur, however, each case involving a family will be judged on the family's individual circumstances and the amount outstanding.
- To consider the school undertaking legal action.
- To include in the minutes of the Governing Body their approval to pursue any outstanding debt.
- That one month of fees of any after school club is the maximum level of debt which can be incurred.

The school should:

- Give the debtor appropriate notification and time to pay the outstanding debt.
- Send the debtor as a minimum a final statement, which states that this is the final notice and that further action will be taken.
- Notify the Governing Body of any outstanding debts.
- Pass on to the debtor any costs incurred through the recovery of the outstanding debt, if the Governing Body takes the decision to pursue such costs.
- Refer families to debt support agencies for advice.

Waiving of Debt:

- A recommendation to write off a debt can be made once all reasonable avenues to recover the debt have been exhausted, and where it is not cost effective to pursue the debt through legal action.
- The Headteacher can waive or reduce the debt, where it is believed that the debtor is experiencing financial hardship, up to a figure agreed annually by the Governing Body. Debts of an amount greater than this may only be written-off with the written approval of the Leadership and Management Committee.
- Any action relating to an outstanding debt or the waiving/reducing of a debt should be dealt with confidentially between the debtor and the Headteacher.
- A record of the write-off, the reason for it and the approval of it, will be retained for 7 years.