



Portesham CE VA Primary School

Bad Debt Policy

1. Wherever possible income due will be collected before or at the time of relevant sale or service is provided. If this is not possible a debtor's account will be issued.
2. All debts will be recorded and non-payment will be followed issuing reminders as follows:

1 <sup>st</sup> reminder	3 weeks from date of account
2 <sup>nd</sup> reminder	6 weeks from date of account
Final reminder	8 weeks from date of account
3. The final reminder to be sent by recorded delivery or delivered by hand and threatens legal action if the account is not settled within 14 days of the date of the final reminder.
4. If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off in accordance with the following procedures:
  - Those up to the value of £50 to be approved by the Head Teacher and reported to the next meeting of the Full Governing Body.
  - Those exceeding £50 to be deferred to the Full Governing Body for approval, either directly or after consideration by the Staffing and Finance Committee.
  - In all circumstances, if the debtor is an employee the Chief Internal Auditor at the Local Authority must approve the value following the Governing Body's agreement to write off the debt.
5. Where individual amounts are written off which exceed £1000, the Chief Internal Auditor at the Local Authority must be notified.
6. This policy should be read in conjunction with the following policies:

Financial and Administrative Regulations for Schools Policy.  
Financial Procedures Policy

This policy will be reviewed annually by the Staffing and Finance Committee.

Reviewed: 11.03.2021