



**SHIRLEY COMMUNITY PRIMARY SCHOOL
AND SHIRLEY PRE-SCHOOL**

MANAGEMENT OF DEBT POLICY

This is a Non-Statutory Policy

Date of Adoption	25 th February 2021
Date of Last Review	n/a new policy
Date of Next Review	February 2022
Committee	Resources/Full Governing Body

Shirley Community Primary School and Pre-School generates income from the following sources:

- School meals (pupils and staff)
- Breakfast and After School Clubs
- Pre-School
- Lettings
- Fundraising Activities
- Other miscellaneous income

The Governing Body is responsible for the collection of income and the management of debt relating to the school, and must adopt any procedures and targets set by the Local Authority for the reduction of outstanding debt.

1 General Requirements

The school will take all reasonable measures to vigorously collect debts as part of its 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 Management 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 Governing Body will approve the write-off of all debts, stocks, stores and surplus assets up to a limit of £250. For amounts greater than this, approval is required from the local authority's Head of Finance.
- all such write-offs will be recorded in the minutes of the governing body
- a formal record of any debts written off will be maintained and this will be retained for 7 years.
- the School will seek the advice of the Local Authority's Legal Services Section should they consider taking legal or other action to recover the debt.

In general, payment for all goods and services supplied by the School should be collected in advance or 'at the point of sale'.

When there are disputes relating to debts internal to the Local Authority, these shall be resolved by the Head of finance and the LGSS Director of Law, Property and Governance, after the debt has been outstanding for more than six months.

2 Acceptable 'Credit Period'

The Governing Body must determine the length of time they deem as an acceptable 'credit settlement period' before the debt recovery procedures are applied.

School lunches

School meals for pupils and staff must be paid for in advance of meals being taken. Children should know which lunch option they will have each day (packed lunch, hot school meal or grab and go school meal). If choosing school meals their lunch account must be in credit.

Breakfast and After School Club

In accordance with the Breakfast Club and After School Club Fee Policy, bookings should be made at least one week in advance, with payment. All fees should be paid in advance of bookings. Payment for last

minute bookings should be made upon dropping off (breakfast club) or picking up (after school club). Failure to pay fees on time may result in the withdrawal of the child's place at the club.

Pre-School

Pre-school fees are invoiced half-termly in arrears with payment due within 14 days of the date of the invoice. Payment may be made in advance or ahead of the issue of invoice. Failure to pay fees on time may result in the withdrawal of the child's place at pre-school.

Lettings

Lettings are invoiced monthly in arrears for regular hirers. Payment is due within 14 days of the date of invoice. In accordance with the Shirley Hire Centre Policy for non-regular hirers, a deposit of 50% of the total charges is due with the application and the balance must be paid 10 days before the hire date.

3 Reporting of outstanding debt levels

The School Business Manager/Headteacher 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 Resources Committee.

The Headteacher will review the level of outstanding debts every half term to determine whether this level is acceptable and whether action to recover debts is effective.

4 Debt Recovery Procedures

Where payment has not been received in accordance with the published terms and it is necessary to issue verbal and written reminders, details of all reminders will be maintained and where a letter is issued, a copy will be retained on file.

4.1 School Meals

Where payment from the parent/carer has not been received in advance, or 'at the point of sale' the following process will be applied:

- Letter 1 (appendix 2) will be issued as a reminder at the end of the week where any debt is outstanding.
- Letter 2 (appendix 3) will be issued to all parents/carers where there is a school meal debt of over £15.00
- If payment is not received after one week the Finance and Premises Officer will issue Letter 3 (appendix 4) and this may be accompanied by a telephone call.
- If payment remains outstanding after a further week letter 4 (appendix 5) will be issued, accompanied by a telephone call. The Family Inclusion Officer will be notified.
- If payment is still not received the School Business Manager or Headteacher will meet with the parents/carers to agree a repayment plan (appendix 10). This will be followed by a written agreement.
- If payment is not received and the parent/carer cannot agree to a repayment plan the matter will be referred to the Resources Committee of the Governing Body to decide on next steps.

4.2 Breakfast and After School Club

Where payment from the parent/carer has not been received in advance of 'at the point of sale' the following process will be applied:

- Letter 1 will be issued (appendix 6) monthly to all parents/carers where there is a breakfast or after school club debt.
- Where debts remain at the end of a school term a repayment plan may be agreed with parents/carers (appendix 7 & 10).

4.3 Pre-School

Where payment from the parent/carer has not been received in advance of 'at the point of sale' the following process will be applied:

- Letter 1 will be issued (appendix 8) monthly to all parents/carers where there is a pre-school.
- Where debts remain at the end of a school term a repayment plan may be agreed with parents/carers (appendix 9 & 10).

The date of issue of all letters will be recorded.

If after two reminders a response or payment is not received, a letter will be sent to the debtor advising them that the matter will be referred to the school's legal advisers. At the discretion of the Headteacher the debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to them. This decision and its basis will be recorded and reported to the Resources Committee.

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 negotiate payment terms, reduce or cancel a debt in certain circumstances. The School acknowledges that on occasion, families have financial difficulties and in these proven circumstances, the school will work hard with the family to agree a solution that is not to the detriment of the child. A sensitive approach to debt recovery will be carried out, considering the following factors:

- Hardship – where paying the debt would cause financial hardship
- Ill health – where 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 repayment terms these may be negotiated at the discretion of the Headteacher. 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 will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will, in future, 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 recorded and reported to the Resources Committee.

7 Bad Debts

This debt management policy should be cross-referenced to the Scheme for Financing Schools. Write-off of any debt required the written approval of the Governing Body A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years. See Appendix 1 Debt Escalation Protocol

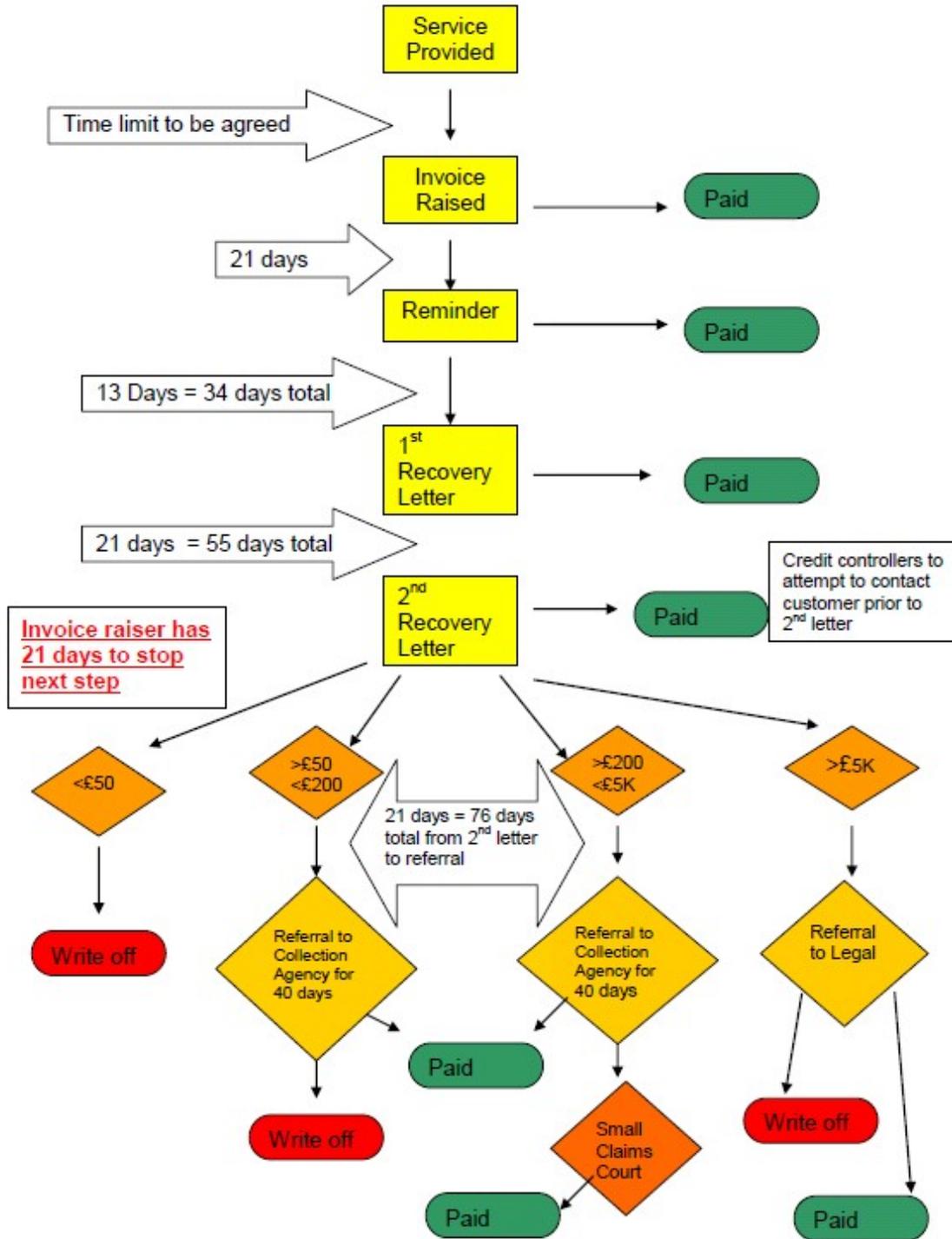
This policy will be reviewed annually

Date approved by the Governing Body:

Signature of the Chair of the Governing Body

Date:

Appendix 1 – Debt Escalation Process



Appendix 2 – School Meal Debt Letter 1

<<date>>

<<Name(s)>>

<<address 1>>

<<address 2>>

<<postcode>

Dear <<name(s)>>

Re: School Meal Payments for <<child's name and class>>

>>Child's name>> has been taking school meals this term, but the school has not received any dinner money recently. The outstanding balance on <<date>> was <<amount>>. I would be grateful if payment could be made on <<date>> to avoid the risk of debt accumulating.

Yours sincerely

Mr J Cattermole
Headteacher

Appendix 3 – School Meal Debt Letter 2

<< date >>

<< name(s) >>

<< address 1 >>

<< address 2 >>

<< postcode >>

Dear << name(s) >>

Outstanding School Meal Payments for << name of child/ren >>

I am writing to inform you that we have not received full payment for your child's school meal to date. The outstanding balance on <<date>> was <<amount>> for meals taken without payment. The cost of a school meal is £2.35 per day.

The school cannot provide a meal if full payment is not received in advance or on the day the meal is taken. You will need to provide a packed lunch or arrange for them to return home for a meal until this debt is paid.

If you wish to discuss the outstanding balance, discuss possible ways of how to make payment, or agree a repayment plan please contact me at the school anytime between 9.30 a.m. and 1.00 p.m. and ask for <<Name(s)>> You can also email me on finance@shirley.cambs.sch.uk or you can come in and see me in person during this time.

If you wish to use the school's online payment system please contact me by email and I will send you an activation code to use this service.

Yours sincerely,

Mr J Cattermole
Headteacher
Shirley School

<<Name>>
Business Manager

Appendix 4 – School Meal Debt Letter 3

<<date>>

<<name(s)>>
<<address 1>>
<<address 2>>
<<postcode>>

Dear <<name(s)>>

Outstanding School Meal Payments for <<name of child/ren>>

I am writing to inform you that we have not received full payment for your child's school meal to date. The outstanding balance on <<date>> was <<amount>> for meals taken without payment. The cost of a school meal is £2.35 per day.

The school cannot provide a meal if full payment is not received in advance or on the day the meal is taken. You will need to provide a packed lunch or arrange for them to return home for a meal until this debt is paid.

Meals will not be provided until the full balance outstanding has been cleared and we will not provide any meals on the same day as a payment is received if there is any balance still outstanding.

If you wish to discuss the outstanding balance, discuss possible ways of how to make payment, or agree a repayment plan please contact me at the school anytime between 9.30 a.m. and 1.00 p.m. and ask for <<Name(s)>>. You can also email me on finance@shirley.cambs.sch.uk or you can come in and see me in person during this time.

If you wish to use the school's online payment system please contact me by email and I will send you an activation code to use this service.

Yours sincerely,

Mr J Cattermole
Headteacher
Shirley School

<<Name>>
Business Manager

Appendix 5 - School Meals Debt Letter 4

<<date>

<<Name(s)>>

<<address>>

<<address>>

<<postcode>>

Dear <<Name(s)>>

FINAL REMINDER – OUTSTANDING SCHOOL MEAL PAYMENTS FOR <<name>>

Our records show that despite two previous reminders, you have still not made full payment of your child's school meal debt.

As at <<date>> the outstanding balance is <<amount>>

Please arrange for this money to be paid in full immediately and no later than <<date>> or contact the school to arrange a repayment plan, otherwise non-compliance will result in the matter being referred to the school's governing body who will decide whether to pursue legal action to ensure its recovery.

Once the debt is cleared, please ensure that your child's school meal account is always in credit.

If you wish to discuss the outstanding balance or to arrange a repayment plan, please contact me at the school.

Yours sincerely

Mr. J. Cattermole
Headteacher

Appendix 6 – Breakfast and After School Club Debt Letter 1

Insert date here

Insert address here

Dear Parent/Carer,

After school and/or Breakfast Club payment due

I am writing to inform you that the balance of £XX.XX is now due on your Breakfast Club and/or After School Club account.

Please make a payment of £XX.XX by XXXXXXXXX. If the payment is not received by this date, then the school will contact you to discuss your child's place at the club.

If you wish to discuss the balance or discuss possible ways of how to make payment, or agree a repayment plan please contact me at the school anytime between 9.30 am and 1.00 pm and ask for <<Name(s)>>. You can also email me on finance@shirley.cambs.sch.uk or you can come in and see me in person during this time.

If you would like to pay online please download the Pupil Asset app via the Appstore or Googleplay and you will be sent an activation code.

Yours Sincerely,

Mrs S Wernham
Deputy Headteacher
Shirley School

<<Name>>
Business Manager

<<Name(s)>>
<<address>>
<<address>>
<<postcode>>

**Re – Outstanding After School Club/Breakfast Club Fees for <<Name(s) for <<year>>
<<amount>>**

**Agreement between <<Name(s) and Shirley Community Primary School & Pre-school dated
<<date>>**

It has been agreed that the outstanding balance of <<amount>> is to be reduced by <<amount>> by the end of each calendar month and all fees incurred on a weekly basis must be paid in full each week on an ongoing basis.

Should either the agreed repayment plan of <<amount>> per month or the payment of any ongoing fees not be adhered to then the place that is held for <<Name(s)>> will be cancelled meaning that <<Name(s)>> will not be able to attend any sessions until the full outstanding balance and any new outstanding payments are cleared in full.

Should this happen you will need to reapply for a place for <<Name(s)>> to attend either the Breakfast Club or After School Club.

Appendix 8 – Pre School Outstanding Fees Letter

<<date>>

<<name>>

<<address>>

<<address>>

<<postcode>>

Dear <<name>>

Outstanding Fees due for Pre-School

We are concerned that there are outstanding fees due in respect of <<Name's>> place in pre-school. The following fees remain outstanding:

<<dates>> <<amount>>

A summary of <<Name's>> attendance and fees due for this period is attached. Also attached is a sheet detailing the different ways you can pay for your child's pre-school place.

Please ensure that full payment in the sum of <<amount>> is received by the school by <<date>>

If you are experiencing financial difficulties, please contact us to discuss repayment arrangements.

Yours sincerely,

<<Name>>

Business Manager

Enc.

<<Name(s)>>
<<address>>
<<address>>
<<postcode>>

Re – Outstanding Pre-School Fees for <<Name>> as at <<date>> <<£amount>>

Agreement between <<Name(s)>> and Shirley Community Primary School & Pre-School dated <<date>>

It has been agreed that the outstanding balance of <<amount>> is to be reduced by <<amount>> by the end of each calendar month and all fees incurred on a weekly basis must be paid in full each week on an ongoing basis.

Should either the agreed repayment plan of <<amount>> per month or the payment of any ongoing fees not be adhered to then the place that is held for <<Name>> will be cancelled meaning that <<Name>> will not be able to attend any sessions until the full outstanding balance and any new outstanding payments are cleared in full.

Should this happen you will need to reapply for a place for <<Name>> to attend Pre-School.

Appendix 10 – Debt Repayment Plan

Dear

Outstanding Balance for School Meals/Breakfast/After School Club/Pre-School for (child)

Repayment Plan Agreement

I am writing to confirm the arrangements agreed with you to settle the outstanding debt for (child’s) school meals/Breakfast Club/After School Club/Pre-School Place.

It is agreed that you will made payments to clear the outstanding balance as follows:

Total Balance Outstanding £

Dates of Repayments	Amount to be paid
XX/XX/XXXX	£XXXXXX

Should the agreed repayment plan not be adhered to the matter will be referred to the school’s governing body who will determine whether to pursue legal action to recover the debt.

If you need to discuss this matter further, please contact me at the school.

Please sign and return one copy of this letter confirming your agreement to the proposed repayment schedule.

Yours sincerely

Mr J Cattermole
Headteacher

Name of Parent/Carer _____

I confirm that I agree with and will comply with the above repayment schedule in respect of the outstanding balance due for (child)’s school meals.

Signed _____

Date _____

