

St John's C of E Primary School



Debt Recovery Policy

Any money owed to the 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 money to the school.

The school will take all reasonable measures to collect debts vigorously as part of its management of public funds.

The school's debt recovery policy will observe the relevant financial regulations and guidance given by Hampshire County Council and other legal requirements.

Acceptable 'credit period'

The full Governing Body has determined that one half term is an acceptable credit settlement period before the debt recovery procedures are applied.

Reporting of outstanding debt levels

The headteacher will ensure that the level of 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 Resources Committee will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective.

Debt Recovery Procedures

Where payment from the parent or guardian has not been received in advance or at the point of sale the following process should be applied:

- 1) Initial 'overdue payment reminder'. This initial reminder may be informal and could be done either on the telephone or in person when the parent/guardian comes to drop off or collect the child. The date of this initial reminder should be recorded.
- 2) First 'overdue payment' reminder letter. A formal letter is issued 1 week after the informal reminder. 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. The date of this letter should be recorded.

In the case of school meals, if the debt is not settled on the following day then we may be unable to provide your child with a school dinner and you **MUST** provide a packed lunch or take the child home for dinner. If a child with an outstanding meal debt orders a school meal then the office will telephone the parents to make alternative arrangements for lunchtime. If the parents do not do this then the school may refer the family to Social Services under our child protection procedures.

- 3) Second 'overdue payment' reminder letter. A second letter will be issued 2 weeks after the first reminder letter. The date of the second reminder letter should be recorded.

Failure to respond to reminders/settle a debt

If there is no response to the second overdue payment reminder letter the debtor will be invited meet the Headteacher to discuss how the debt will be settled. At this meeting every effort will be made to work with the parent/guardian to pay off the existing debt. Failure to attend the meeting or stick to the agreed terms of repayment decided in the meeting may result in a referral to the County Treasurer's debt collection department. At this point the debtor will be advised that they will be required to pay in advance for all future supplies. This decision and its basis will be recorded and reported to the Resources Committee.

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 letter.

If parents 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. Repayment terms may be negotiated at the discretion of the Headteacher and will be reported to the Resources Committee. 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 Resources Committee will decide whether any debtor who has been granted extended settlement terms will be offered any further credit and will, in future, be required to pay in advance.

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