



Debt Recovery Policy

2020

General Requirement

The School will take all reasonable measures to 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 Recovery Policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements.

Any money owed to 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 the school money.

In general payment for all goods and services supplied by the School should be collected in advance.

The procedures to secure the collection of all debts are outlined in this policy and should be followed by all school staff.

Acceptable 'credit period'

The School Office Manager in consultation with the Headteacher determine the length of time as an acceptable 'credit settlement period' before the debt recovery procedures are applied.

Reporting of outstanding debt levels

The School Office 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 in order that it can be determined at any time and report to the Governing Body.

The School office Manager will review the level of outstanding debts every month to determine whether this level is acceptable and whether action that has been taken to recover has been effective. The Headteacher will be informed of any considerable debts outstanding to the school.

Debt Recovery Procedures

The School is required to ensure that:

- All invoices outstanding are accurately recorded and maintained by the School Office Manager.
- There is documentary evidence of all the steps undertaken by the School Office Manager to recover the debt. This includes recording the dates that reminders were distributed, and/or phone calls made to debtors.
- For all outstanding debts, a final statement is issued to all persons liable for the charge. This statement must state “further action will be taken if this account remains outstanding after a period of no less than 30 days”.
- Breakfast Club – payments are monitored weekly by the Administrative Assistant. Contact will be made with the parents if payment falls overdue.
- School Trips and activities – payments are monitored by the Administrative Assistant in the time prior to the trip or activity. After investigation with the parents for non-payment, individual cases will be referred to the School Office Manager for discussion with the parents to ascertain the reasoning.

The Governing Body must:

- Consider the arrangements for debt recovery.
- Approve the School undertaking legal action.
- Ensure the anonymity of the families involved is preserved at all times.

Pursuance of Debt

The School should:

- Not pass onto the debtor any costs incurred in pursuing the outstanding debt.
- Give the debtor appropriate notification and time to pay the outstanding charge.
- Send the debtor a final statement, which states that this is the final notice and that further action will be taken.

Waiving of Debt

- The Headteacher can reduce the debt, where it is shown that the debtor is experiencing financial hardship.
- A debt may be written off by resolution of the Governing Body on the recommendation of the Headteacher.
- A recommendation to write off a debt can be made when all reasonable avenues to recover the debt have been exhausted, and where it is not cost effective to pursue the debt through legal action or where it is shown that the debtor is experiencing financial hardship.

Any action related to an outstanding debt or the waiving/reducing of a debt should be dealt with confidentially between the debtor and the Headteacher/School Office Manager.