

George Spicer Primary School



Debt Recovery Policy

Inspire, Empower, Improve

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| Date of Policy | February 2024 |
| Headteacher | Dominic Spong |
| Chair of Governors | Anne Del Greco & Deborah Dykins |
| Review date | February 2026 |
| Approved by | Resources Committee |

'Learning well today to live a better tomorrow'

Statement of intent

George Spicer is committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, and has established policies and procedures to ensure that no child is discriminated against by our offering of school trips, activities and educational extras.

While this is the case, George Spicer must have a policy in place to ensure the repayment and recuperation of any outstanding debts incurred by the school on behalf of a pupil. 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.

Each case is to be treated individually and the circumstances that have led to the outstanding debt will be taken into account to determine the best course of action and whether it is fair and reasonable to pursue the debt in its entirety if at all. George Spicer is committed to adhering to legal requirements regarding charging for school food, activities and materials, and meeting all statutory guidance provided by the DfE.

Signed by:

_____ Headteacher Date: _____

_____ Chair of governors Date: _____

Legal framework

This policy will adhere to the relevant legislation and statutory guidance surrounding school payments and debt recovery, including the following:

- DfE (2018) 'Charging for school activities'
- DfE (March 2022) 'Schemes for financing schools'
- DfE (Oct 2020) 'Governance handbook'

Roles and responsibilities

As a general rule, to avoid incurring debts, payments for materials and services provided by the school should be collected in advance or at the point of sale.

Any person(s) involved in the monitoring, recording and pursuing of debts owed to the school must formally record any information gathered and actions taken – data which is to be kept by the school for a period of seven years.

The privacy of the pupil and their family will be protected by all staff.

The school's Resources committee:

- Will regularly review details of its debts and what recovery action is needed.

The SBM/Finance Officer will ensure:

- Debt records and reminders are recorded, and those records are maintained for a period of seven years
- Instances of debt are judged on an individual basis, with consideration of the nature of the debt and the circumstances of the family involved.

Declaring outstanding debt levels

The Headteacher and Resources committee will review the level of outstanding debts every term to determine whether current debt levels are acceptable and whether current methods and procedures to recover debts are effective.

Any individual cases of debt that are deemed to require intervention will then be pursued.

Overdue payment reminders - to be sent weekly

Initial reminders – initial reminders may be informal and made either in person (when parent comes to collect/drop off a child), by telephone or text.

First written reminder – a formal reminder letter should be issued 1 week after any 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 timely manner

Second written reminder – this should come a week after the first reminder, citing the details of the previous reminder and stating that concerted efforts have been made to make the person aware that an outstanding debt is overdue and thereafter we will suspend the service.

If these reminders are not responded to, a **final warning letter** will be sent to the debtor advising them of possible legal action. It is then for these parties to agree on a time-frame for a repayment or, if necessary, a payment plan for separate instalments.

Negotiation of debt repayment

It is expected that the debt should be repaid as soon as possible, particularly after repeated reminders; however, this can be negotiated at the discretion of the Headteacher, particularly if there are exceptional circumstances.

If there is a case where the debtor is deemed to be refusing to pay without sufficient reason, the school may consider involving LAs and the council's legal services to resolve the issue or the matter will be referred to the small claims court. Once the matter is referred to the collection agency, collection charges will be added to the total amount of debt and no further arrangements can be made with the school and will be handled by the collection agency.

Exceptional circumstances and remissions

The school must ensure that parents/carers of pupils are aware of the help the school can extend to those in financial difficulty. Parents/carers who may be eligible for remissions are those in receipt of any of the following benefits:

- *Income Support*
- *Income-based Jobseeker's Allowance*
- *Income-related Employment and Support Allowance*
- *Support under part VI of the Immigration and Asylum Act 1999*
- *The guaranteed element of State Pension Credit*
- *Child Tax Credit, provided that they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190*
- *Working Tax Credit run-on – paid for four weeks after they stop qualifying for Working Tax Credit*
- *Universal Credit – if they apply on or after 1 April 2018, their household income must be less than £7,400 a year (after tax and not including any benefits that they receive)*

In a case where there is, or it is suspected that there is, an overdue debt from a family who may qualify for remissions, details of the different types of support available should be provided.

The Resources committee is not guaranteed to but may decide to waive or reduce the outstanding debt in these circumstances.

Debt recovery costs

In addition to the remission allowances outlined above, it may be advisable to waive or partially waive debts where it is deemed that it does not make financial sense to continue allocating time and resources to pursue.

The Resources committee will review any case a debt may be waived, and come to a final decision based on the value of costs versus value of the debt.

Monitoring and review

The school's Debt Recovery Policy will come under review annually, and changes vis-à-vis any updated legislation will be made accordingly.

Insert name

Insert full address

- *Insert date* -

Dear Parent/Carer

Child's name: _____ **Class:** _____

Outstanding amount: _____

After School Club £....

Breakfast Club £....

School Dinner Account £.....

Total: £.....

I am writing to remind you that according to our records, you have arrears on your child's account. In order for your child to continue to attend *Breakfast club/After-School club/School lunch* it is important to keep your account in credit.

Please arrange for this debt to be paid immediately.

If you have any queries regarding these arrears, or if you are having difficulty making payment, please contact me to discuss this further.

Yours sincerely

Finance and Business Officer

Letter 1

Insert name

Insert full address

- *Insert date* -

Date:

Dear Parent/Carer

Child's name: _____ Class: _____

Overdue amount: _____

BREAKFAST CLUB/AFTER SCHOOL CLUB/SCHOOL DINNER

Our records show that despite numerous reminders, you have still not made payments on your child's account. As a result the service for *Breakfast club/After-School club/School lunch* place has now been SUSPENDED.

Please arrange payment immediately or contact the school to arrange a payment plan, otherwise non-compliance may result in legal action.

Once the debt is clear please ensure your child's account is in credit.

If you have any queries regarding these arrears, or if you are having difficulty making payment, please contact me on 0208 3631406 to discuss.

Yours sincerely,

Finance and Business Officer

Letter 2

Insert name

Insert full address

- *Insert date* -

Dear Parent/Carer

FINAL REMINDER

Child's name: _____ Class: _____

Overdue amount: _____

It has been brought to my attention that despite numerous reminders there is still an outstanding balance on your child's *Breakfast club/After-School club/School lunch* account.

As your account is showing a debt please arrange payment via Parentpay by – *insert date* -- the latest.

Your place has now been withdrawn and the school will take legal action if we don't receive your payment.

If you have any queries regarding these arrears, or if you are having difficulty making payment, please do not hesitate to contact me on 0208 3631406.

Yours sincerely

Headteacher

Insert name

Insert full address

- *Insert date* -

Dear Parent/Carer

PAYMENT PLAN

Child's name: _____ Class: _____

Overdue amount: _____

Following our conversation regarding the outstanding debt for *Breakfast club/After-School club/School lunch* payments, please find below agreed repayment schedule in order to clear your account.

- Repayment week commencing – insert date – Amount £
- Repayment week commencing – insert date – Amount £
- Repayment week commencing – insert date – Amount £
- Repayment week commencing – insert date – Amount £

Can you please sign and return one copy of this letter showing agreement to the proposed repayment schedule. Repayments need to be made via Parent Pay. Until the outstanding debt is cleared, your child will not be able to attend *Breakfast club/After-School club/School lunch*.

If you need to discuss this matter further, please do not hesitate to contact me on 0208 3631406.

Yours sincerely

School Business Manager