

# Debt Recovery for Parents/Carers Policy 24.25 v3



## Document Control

<b>A. Confidentiality Notice</b>	This policy document has been approved by the Governing Body of St Modwen's Catholic Primary School and is intended for internal and/or external publication. Where the document is identified for internal use the policy information may not be shared with external agencies or parents without the prior agreement of the Headteacher or authorizing committee.				
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	V3	7.5.2024	School	Finance & Personnel Committee/FGB	<b>Scheme of Delegation – Annual Review required by Governors. Amends:</b> None

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## Introduction

In accordance with the funding agreement and Academies Financial Handbook, the School is required to apply robust financial controls that conform to the requirements of both propriety and good financial management.

To this end the Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt. This policy sets out the procedure for debt recovery within the School and for the write-off of any debt that is deemed to be irrecoverable.

This policy applies to all school fee paying services including nursery, school meals, trips and other resources/services sold to parents.

## 1. Rationale

This Policy has been compiled recognising the difficulties placed on Headteachers/Headteachers in balancing the social welfare of pupils with the management of the school budget. This policy is fair and just and sets out a clear procedure for families. By introducing a zero tolerance debt policy, we aim to

reduce the risk to parents incurring large debts that they will struggle to pay and minimise the amount of staff time taken in chasing up outstanding payments.

As the School is responsible for managing payments and arrears for school meals and other services, these are processed through the main school budget. Where debts are incurred, the school budget has to pay for them; this means that money that should be spent on children's education is used to pay for debts incurred by parents. School request that all parents give this policy their full support.

## 2. School Meals

The school has a statutory duty to provide free school meals to those who are eligible, but there is no obligation beyond this. If arrears exist, the school can refuse to continue to provide meals.

You do not have to pay for school lunches if you receive any of the following:

- 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 Pension Credit
- Child Tax Credit (provided you're 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 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit - if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get)

Children who get paid these benefits directly, instead of through a parent or guardian, can also get free school meals. Your child might also get free school meals if you get any of these benefits and your child is both:

- younger than the compulsory age for starting school
- in full-time education

Currently infant children (reception, year 1 and year 2 pupils) are entitled to a Universal Infant Free School Meal. This is not the same as a free school meal from the Local Authority.

**Parents, please note: it is your responsibility to apply for free school meals and to ensure that the Local Authority/School is kept up-to-date with your circumstances.**

**For further information about applying for a free school meal please speak to a member of our School Business Support Team.**

## 3. Other Services

The School provides a number of other services, these include nursery, before and after school care, wraparound care, dinner money and school trips.

All payments for chargeable services, including school meals should be made **in advance** using ParentMail online system.

## 4. Payment of Services

Parents are required to pay for all services provided by the school in advance by making an online payment to their child's account on the ParentMail system, card payments can now be taken in school office or parents can pay at any shop displaying the PayPoint logo. Cash/cheque will only be taken in exceptional circumstances.

On the ParentMail system, separate payment items are listed for every child, for example, school meals, fee paying nursery, trips etc.

ParentMail operates as a pay on booking or for school services such as trips we can offer parents an instalment plan.

If you have any difficulty accessing the system please contact the school office immediately for help.

## 5. Other ParentMail Services

The ParentMail system incorporates a low balance warning system which can be set up by the school according to their needs.

When the balance on a particular payment item for a particular child reaches a pre-set level (set by the school), the system can automatically send an e-mail to the parent's nominated email address advising them of the low balance.

## 6. Debt Recovery

Where payment for services is not received in advance and arrears accumulate longer than **one week**, the following procedures apply:

### **STAGE 1: Informal reminders:**

1. Balances over -£10.00 – automated weekly alert via ParentMail reminding parents that there is an outstanding balance on their account.
2. Balances over -£20 or not cleared within 7 days – Parents will receive an e-mail from School Business Team reminding them of their balance and requesting arrears are cleared within 7 days to avoid further action (Stage 2). Copy of School Debt Recovery Policy attached to e-mail.

**STAGE 2: First Formal reminder letter** – Where no payment has been received within **7 days** following the informal reminder contact with the debtor, the first formal letter will be sent by the School Business Team requesting immediate payment (First Formal Letter – Appendix A1). Parents are able to set up a payment plan to bring the arrears up-to-date by contacting our School Business Team - Noting payments

**Payment Plan** – if payments agreed in the Payment Plan (sufficient enough to cover the ongoing weekly costs and pay off the debts for all services) are made on time, the service provision will continue. If regular payments are not made, the place/service will be withdrawn.

for on-going services need also to be kept up-to-date. Copy of School Debt Recovery Policy attached to e-mail.

**STAGE 3: Final reminder letter** – Where no payment has been received within **7 days** of sending the second letter, the School Business Manager will issue the third and final debtors letter prior to legal action which will be sent recorded delivery as per Appendix A2. If the debt has not been paid within 7 days and invoice will be raised by SCC for the full amount due.

- **School Meals** – Parents will be asked to provide a packed lunch until the debts are paid in full.
- **Fee paying Nursery provision** – Parents will be asked to make alternative arrangements for fee paying Nursery Provision. Please note that all fee paying Nursery provision will be suspended if one service remains in debt. Fee paying Nursery provision will be reinstated once the arrears have been paid in full.

**Possible legal action** – Where no payment has been received within **7 days** of the final letter the matter will be reviewed by the Headteacher with subsequent referral to solicitors where it is considered to be the most appropriate course of action. The debtors will be informed in writing. Please note that the Headteacher reserves the right to take legal action to recover debts.

## 7. Wavering of Debts

The wavering of debts is at the discretion of the Headteacher and the Governing Body. A debt may be waived when it is believed the debtor is experiencing serious financial hardship. Please contact the school if you feel this applies to you.

Wavering of Debts procedure – 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:

- Initial approval must be given by both the Headteacher and School Business Manager
- The write-off must be approved by the Finance Committee and then reported at the next meeting of the Full Governing Body
- The School will retain a Bad Debt Write-Off Summary.

The School is responsible for notifying the EFA of any debt written off that exceed the delegated limited as per the Academies Financial Handbook.

## 8. School Support

We hope that by implementing this policy, we are able to help you, as parents, manage your payments better and, at the same time, ensure that our available budget is used to enhance your children's learning. Our Debt Policy also provides outlines a clear strategy for recovering parental debt in a timely manner. The chasing of debts is also extremely time-consuming for our staff. Time spent checking debts and sending out letters takes our staff away from other duties at school that would benefit all children. We request that all parents and carers work with us to avoid unnecessary time spent chasing debts by making regular payments, in advance, for our services.

This policy will be kept in the school network and parents will be informed of the policy in occasional newsletters, school Prospectus and school website. Hard copies of the policy will be available on request. This policy will be reviewed Annually by the Governing Body of St.Modwen's Catholic Primary School.

## Appendix A1 First Debtors Letter

Date

Debtor Name

Debtor e-mail address

Dear (Name)

### ***First Debtors Letter – Outstanding monies due.***

This is to inform you that there is an overdue balance on your ParentMail account. You have exceeded our normal credit terms and payment within 7 days is requested. If you wish to talk to the School Business team about the overdue balance or to discuss a repayment plan please call 01283 247560 during school hours. Please see attached our school Debt Policy for your reference.

Yours sincerely

School Business Team

**Sent out via ParentMail**

## Appendix A2 Final Debtors Letter

Date

Debtor Name

Debtor E-mail Address

Dear (Name)

### ***Final Debtors Letter – Outstanding monies due.***

Despite previous correspondence there remains an overdue balance on your ParentMail account. An invoice has now been raised with Staffordshire County Council for the full arrears.

Unfortunately we have had no alternative but to suspend your access to services with immediate effect and access will only be reinstated once the arrears have been paid in full. This means: **Please select which option applies below**

- **School Meals** – You will need to provide a packed lunch until the debts are paid in full.
- **Fee paying Nursery provision** – Parents will be asked to make alternative arrangements for fee paying Nursery Provision. Please note that all fee paying Nursery provision will be suspended if one service remains in debt. Fee paying Nursery provision will be reinstated once the arrears have been paid in full.

If you wish to talk to the School Business team about the overdue balance please call 01283 247560 during school hours.

Yours sincerely

Mrs Carol Salt  
School Business Manager

**Sent out via ParentMail**