

Holymead Primary School

Debtors' Policy

Debt Management Policy

The Governing Body is responsible for ensuring procedures are in place for recovering outstanding debt. This policy sets out the procedures for the recovery of outstanding debt and for the write off of any debt which is deemed irrecoverable.

Rationale

This Policy has been compiled recognising the difficulties placed on 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. Every parent will agree that this is unacceptable and we request that all parents give this policy their full support.

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, 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, after school clubs, music tuition, swimming, residential, trips etc.

Reminders for payment will be automatically sent to parents, where the payment remains outstanding.

If parents have any difficulty accessing the system they can contact the school office immediately for help

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

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.

STAGE 3: Final reminder letter:

Where no payment has been received within 7 days of sending the second letter, the Headteacher 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 an invoice will be raised by BCC for the full amount due.

- School Meals – Parents will be asked to provide a packed lunch until the debts are paid in full.
- All other services – Services will be suspended if it remains in debt. This includes breakfast club, afterschool club, and music tuition. Services will be reinstated once the arrears have been paid in full.

If a place at after school club has been withdrawn: parents must be aware that if your child is not collected 30 minutes after school finishes; children will be provided with a place in wraparound care which will incur a further recoverable charge.

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 BCC legal department, 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.

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.

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 LA of any debt written off that exceed the delegated limited.

School Support

We hope that by implementing this policy, we are able to help parents, manage payments better and, at the same time, ensure that our available budget is used to enhance children's learning. The chasing of debts is extremely time-consuming staff. Time spent checking debts and sending out letters takes staff away from other duties 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 Policy file in the school office 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 bi-annually by the Governing Body of Holymead Primary School.

Date: 7.3.23

Review: Every 2 years (March 2025)

Appendix A1 First Debtor's Letter

Date

Debtor Name

Debtor e-mail address

Dear (Name)

First Debtor's 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 Manager about the overdue balance or to discuss a repayment plan please call 0117 9030377 during school hours.

Please see attached our school Debt Policy for your reference.

Yours sincerely

Ms Slatcher

Headteacher

Sent out via ParentMail

Appendix A2 Final Debtor's Letter

Date

Debtor Name

Debtor E-mail Address

Dear (Name)

Final Debtor's Letter – Outstanding monies due.

Despite previous correspondence there remains an overdue balance on your ParentMail account. An invoice has now been raised with Bristol 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.
- Out of School Care – You will need to make alternative arrangements for out of school care. Please note that all out of school care will be suspended if one service remains in debt. This includes breakfast club, and after school sport clubs provision. Services will be reinstated once the arrears have been paid in full.

If a place at after school club has been withdrawn: parents must be aware that if your child is not collected 30 minutes after school finishes; your child will be provided with a place in wraparound care which will incur a further recoverable charge.

If you wish to talk to the School Business Manager about the overdue balance, please call 0117 9030377 during school hours.

The school reserves the right to take legal action to recover debts.

Yours sincerely

Ms Slatcher

Headteacher

Sent out via ParentMail and post hard copy