

# Debt Policy



## NANSTALLON SCHOOL



**NANSTALLON VISION: *Everything we do is focused on giving every child the best teaching, environment, experiences and opportunities regardless of background and circumstance.***

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Signed-Chair of Governors	(Dan Nattle)

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## **Introduction**

The purpose of this policy is to ensure that all income due to the school is collected in a timely and cost effective way and to minimise the risk of non-payment.

It sets out roles and responsibilities as well as giving clear timescales for the collection of monies that are due.

Wherever possible, advance payment will be secured before the provision of goods and services or at the point of delivery, thus avoiding expensive income collection arrangements and negating the possibility of bad debt.

## **Definition**

An outstanding payment is classed as those which are two weeks in arrears. The outstanding payment is treated as a debt unless otherwise stated as exceptional and only with specific permission from the Headteacher.

### **Voluntary Contributions:**

If an activity (that is not part of the prescribed curriculum) occurs during the course of the school day, whether on the school premises or elsewhere, the school can ask parents for a voluntary contribution towards the cost of providing those activities.

To ensure that parents are aware of the voluntary nature of the contribution being requested, the school will request voluntary contributions in the form of an emailed letter, or seesaw message.

Reminder messages will be issued should the voluntary contributions towards the event, trip or activity not cover the cost of provision. Should the voluntary contributions not meet the full cost of providing that activity, a decision to cancel will be made and parents will be notified of that decision.

If there is a cancellation charge, refunds will be processed after deducting that charge.

If an activity goes ahead, children of parents who are unable, or unwilling, to provide a voluntary contribution will not be excluded from that activity.

## **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.

Records of individual debts will be maintained and no debt should be allowed to exceed £\* see below. All debts over this will be reported to the Governing Body.

The Governing Body will review significant outstanding debt annually and determine whether further action to recover the debt is required.

All bad debts are reviewed and a decision is made whether to write them off. This is reported to governors.

\*

Trips/Swimming and enrichment	not applicable
Lunch	£26.00 (two weeks)
Early Morning Care	£15.00 (two weeks)
Uniform	no uniform will be distributed prior to payment
Residential	£250.00

## School Meals

The school has a statutory duty to provide free school meals to those who are eligible.

### Eligibility:

Your child may be able to get free school meals if you get 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.

NB: 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.*

The school is under no obligation to provide any child who is not eligible for free school meals. If arrears exist, the school can refuse to continue to provide meals. Parents would therefore need to provide a packed lunch for their child.

## Other Services

The School provides a number of other services, these include early morning care, uniform and school trips. With regards to swimming activities the school asks for a contribution to the costs of coach hire only. All payments for chargeable services, including school meals should be made in advance using the school's payment system.

## Process of Debt Recovery

Ref: 'Definition'

Once the two week period has been exceeded, the following procedure is activated:

1. The debtor is contacted by phone by the administrator to establish the nature of the payment delay and obtain agreement from the debtor for payment to be made within five working days.
2. First Letter – if payment is not received after the initial phone call, a letter is sent from the Administrator stating the nature of the debt and request for payment within five working days.
3. Second Letter – if payment is not made within five working days, a letter is sent from the Head Teacher requesting payment within five working days.
4. Final Letter – if payment is not made within five working days, a final letter is sent from the Chair of Governors requesting payment within five working days. After which, where it is financially worthwhile, legal action will be pursued under the guidance of the school's legal advisors.

## 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 the Headteacher;
- The write-off must be approved by the Full Governing Body;
- The School will retain a Bad Debt Write-Off Summary.

As a general principle the governors will take legal action to recover debts in excess of £250 unless there are exceptional circumstances.

<b>Name of Debtor:</b>	<b>COMMENT</b>	<b>Verified by:</b> <b>Date verified:</b>

Details of Debt		
Date of first contact		
Date first letter sent		
Date second letter sent		
Date third letter sent		
<b><i>Any further action</i></b>		
<b><i>DATE RESOLVED</i></b>		

## Conclusion

We hope that by implementing this policy we are able to help parents/carers manage their school payments effectively, which will help reduce administration time and ensure that school budgets are used correctly for the education of its pupils. 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.

**Appendices – Letters 1 to 4**

App. 1: Letter 1

OUTSTANDING PAYMENTS

Dear Parent/Carer

**Name of Child:** .....

**Class:** .....

**Date:** .....

We have not received payment ..... I would appreciate it if you can send payment of .....with your child tomorrow or pay online via ParentPay.

If you have any queries regarding this letter, please contact the school office on .....

Many thanks,

School Administrator

**Appendix 2:**

**Letter 2**

Dear Parent/ Carer,

**Outstanding payments**

**Name of Child**.....

**Class**..... **Date** .....

According to our records we have not received in full, your outstanding payments for the half term ending (insert date).

Please arrange to make a payment of £xx and send in with your child by Friday [insert date] at the latest to bring your account up to date.

If this payment will cause you any difficulties, please make an appointment to discuss this with me.

Please settle your bill in cash or online via ParentPay.

Kind regards,

B Stephenson  
Headteacher



**Appendix. 3**

**Letter 3**

Dear Parent/ Carer,

**Outstanding Payments**

**Name of Child**.....

**Class**..... **Date** .....

It has come to my attention that the above payment is still outstanding with regards ..... The school has tried on several occasions to resolve this matter with you, but unfortunately no payment has been received.

I would be very grateful if you could contact the school as soon as possible. Please note that if you do not make contact by xxxxxxxx, I will immediately take this matter up with our legal representatives to recoup payment.

If this payment will cause you any difficulties, please make an appointment to discuss this with me.

Please settle your bill in cash or online via ParentPay.

Kind regards,

Mr D Nattle  
Chair of Governors