



# **RYECROFT C. E. MIDDLE SCHOOL**

---

## **POLICY STATEMENT**

# **DEBT POLICY**

*Part of the Uttoxeter Learning Trust*



# ***The Vision of the Staff, Pupils and Governors of Ryecroft C.E. Middle School***

---

*Embracing a culture where no child is left behind, we value and respect all the children that God has put in our care.*

*We enrich the lives of our children and ensure that Ryecroft is a safe, happy and inspiring place, embodying the Christian values of trust, humility and perseverance.*

---

## **School Debt Policy**

### **Introduction**

The schools local governing body has a responsibility to have a debt recovery policy which ensures that appropriate procedures are in place to enable the school to receive all income to which it is entitled.

### **Aims and Objectives**

To ensure that the governing body complies with the relevant financial regulations and guidance set out in the Financial Handbook for Academies and any other legal requirements;

- To protect the delegated school budget;
- To apply this policy consistently to ensure debt is dealt with in a timely manner;
- To ensure further goods or services are not supplied to parents/carers or customers who have not paid for items already received or used.

### **General requirements**

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.

The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Financial Handbook for Academies and any other legal requirements. In particular:

- The Local Governing Board will not write-off any debt belonging to the school which exceeds £500. Any sums above this will be referred to the Chief Finance Officer (CFO) of the Uttoxeter Learning Trust for approval. (If any debtor has a number of debts which together exceed the write-off limit then these will be treated as a total amount).
- A formal record of any debts written off will be maintained and this will be retained for 7 years.
- The school will not initiate any legal action to recover debts, but will refer any debts which it has not been able to collect (unless a decision to write-off the debt is demonstrably a reasonable course of action) to the MAT to consider.
- The school will NOT write-off any debt belonging to the MAT or another party, e.g. debts for school meals. If in doubt as to the appropriate action to collect any such debts the school will seek advice promptly from the CFO.

### **Dinner Money**

Payment for schools meals is usually made by pupils on a daily basis. Parents may pay in advance if they should wish to do so. Either way, all payments are given in to the catering staff.

The catering staff will reconcile each day the payments received to the meals taken and any discrepancy will in the first instance result in a reminder to the pupil. If payment has not been

made by the end of the week a phone call/ text message is made to the parent/carer to request immediate payment.

If payment is still not received within 5 school days then the parent/carer will be informed that the matter will be referred and recovery action may be pursued.

Governors have decided on the following policy regarding unpaid meals:

- A meal will be served until the arrears reach 10 meals / 2 weeks after which point a basic meal (sandwich) only will be provided to pupils where the parent has not paid. *It should also be noted that this may be deemed as a safeguarding concern and as such the relevant agencies will be informed.*

### **Extra-Curricular Activities**

The school may offer extra-curricular activities after school. Where these are run by a member of the school's staff, there is normally no charge. Sometimes, an activity is run after school organised by a qualified person who is not a member of the school staff or a club, e.g. Burton Albion Football Club. A charge could be made for these sessions, payable to the qualified person or club.

### **Board and lodging on residential visits**

The board and lodging element of a residential visit can be charged to parents/carers and they are notified of the cost in advance and are given to opportunity to pay in instalments should they wish.

Payment must be made in full by the last instalment date as specified by the provider or the child will not be allowed to attend. Parents are given adequate prior notice of the instalment payment deadlines.

### Remissions

In some cases governors have agreed that certain categories of pupils are not liable for the fee or are eligible for a reduced fee for some or all of; extended school activities, music tuition or residential visits. This is included within the Charging and Remissions Policy (reviewed annually).

### **Lettings**

Failure to pay on time will result in the debt being referred for recovery. The letting agreement will be void and the client will be refused future hires

## **The Debt Recovery Process**

### **Initial reminders**

Initial reminders may be informal and made, in person (when a parent comes into school), text message or by telephone. Normally, the office staff will undertake this if there is a good relationship with the parents. The Headteacher could also be called upon to make this initial reminder.

### **First reminder letter**

A formal reminder letter should be issued after 2 weeks from any informal reminder / the date of supply. *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 a timely manner, i.e. at the time that the debt first became overdue.*

### **Second reminder letter**

A second reminder letter will be issued in 2 weeks after the First Reminder Letter.

### **Using reminder letters**

*Should a debt need to be taken beyond two reminder letters, formal written evidence may have to be produced. It is therefore important that at least one, but preferably two, written reminders are sent. Details of all reminders, whether verbal or in writing, should be maintained. Where a letter is issued, a copy must be retained on file.*

### **Failure to respond to reminders / settle a debt**

If no response is received from the reminders issued, a letter will be sent to the debtor advising them that the matter will be referred to the CFO.

At the discretion of the Local Governing Board / Head teacher / etc. the debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to them. This decision and its basis will be recorded.

### **Negotiation of repayment terms**

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the first 'overdue reminder'.

If a debtor asks for 'repayment terms' these may be negotiated at the discretion of the Business Manager/ Head teacher/Local Governing Board. A record of all such agreements will be kept. A letter will be issued to the debtor confirming the agreed terms (unless this not judged necessary). The settlement period should be the shortest that is judged reasonable. Wherever possible, the school will endeavour to secure full settlement of the debt by the financial year end.

The Headteacher / Local Governing Board will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will be required to pay in advance in future.

### **Costs of debt recovery**

Where the school incurs material additional costs in recovering a debt then the Local Governing Board / Headteacher / etc. will decide whether to seek to recover such costs from the debtor. This decision and its basis will be recorded.

The debtor will be formally advised that they will be required to pay the additional costs incurred by the school in recovering the debt.

**Reporting of outstanding debt levels**

The Headteacher will ensure that the level of outstanding debt is known and can be determined at any time.

The Headteacher / Local Governing Board will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective.

**Bad debts**

When all practical and cost effective methods of debt recovery have been exhausted and the debt is considered to be irrecoverable:

- The local governing body will take into account the age and size of each debt and any advice from the CFO before making a decision to write off debt.
- To write-off of any debt requires the written approval of the Local Governing Board up to a maximum of £500. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.
- Any debt belonging to the MAT will be referred to the appropriate officer for consideration/action without delay once the school has taken reasonable measures to collect the debt (i.e. has followed the reminder notification procedures set out above).

---

Signed on behalf of the Governing Body:

.....

Date .....