



Debt Management Policy

Sticklepath Community Primary Academy

Date:	March 2023
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Last reviewed:	
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Next review due by:	March 2024
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Introduction

Any debt owed to the school can have a detrimental effect on the budget. This in turn may result in a reduction in the resources that we can provide to all our children. As a Public Body, school has an obligation to manage the public funds allocated and will take all reasonable measures to collect all debts regardless of the age of the debt.

We hope that parents will support this stance and make every effort to avoid owing money to the school.

Purpose of the policy:

The purpose of this policy is to ensure that:

- Procedures are in place to recover all outstanding debt
- All reasonable measures are taken to collect all outstanding debts
- Debt write offs are kept to a minimum
- Due regard is given to TLP's Finance Policy and Procedure Manual, all relevant financial regulations and any other legal requirements.

Acceptable "credit period"

Invoices

Payments due for services provided by the school should be paid within 14 days of receipt of invoice.

Before and After School Club (BASC)

Sessions are pre-booked and parents are charged for sessions at the beginning of each half term via our online payment system, My Child at School (MCAS). All charges must be paid in full before the beginning of the following half term as agreed in the Before and After School Club registration form.

Nursery

Sessions in addition to those funded by the local authority are pre-booked and charged for at the beginning of each half term via MCAS. All charges must be paid in full before the beginning of the following half term as agreed in the Nursery enrolment forms.

Trips (curriculum and other)

Voluntary contributions for trips which relate to our Teaching and Learning are made via MCAS and should be paid for in advance to ensure that the trip is financially viable and able to go ahead.

Payments for the Year 6 annual residential trip must be paid for in advance to ensure that children are able to participate.

Dinners

Pupil lunches should be paid in advance via MCAS; any outstanding balance must be cleared within 1 month. We recommend that the account is regularly topped up to ensure there is enough credit to cover lunch costs.

Reporting of outstanding debt levels

All debts are monitored at regular monthly intervals by the School Business Manager and shared with the Executive Co-Headteachers. Records are maintained to detail individual debts and the total value of debt to the school. Individual debts may be referred to the Tarka Learning Partnership's Chief Financial Officer for further action should the school's debt recovery process be exhausted.

Debt Recovery Procedures

Dinners

Any dinner money arrears that arise will be pursued by the school on a weekly basis via MCAS reminders and telephone contact.

Weekly reminders to top up the lunch account will be sent out by text to those with outstanding balances of £10 or more.

If the debt rises to £20 or more, parents/carers will be contacted by a member of the admin team by telephone to discuss the debt and request payment.

If the debt continues to rise despite further calls, the parent/carer will be contacted again and advised that if the debt remains outstanding the school may refuse to provide a lunch and that a packed lunch should be provided to the pupil.

Parents/carers with lunch debts above £50 will be contacted by the School Business Manager to discuss and agree repayments.

If the outstanding debt is still not cleared within the timescales agreed with the SBM, a letter will be sent to the parents/carers informing them that, despite our best efforts, the debt remains. They will be given a final opportunity to clear the debt within 7 days and informed that the school will no longer be able to provide school lunches. Parents/carers will need to ensure that a packed lunch is provided every day.

If no monies are paid within 7 days, the parent/carer will be invited in to speak with the School Business Manager and/or an Executive Co-Headteacher. At this time a written agreement plan will be put in place. The repayments and length of the plan should be acceptable to both the school and the parent/carer. The plan will be monitored on a regular basis by the SBM. Failure to adhere to the plan will result in the school seeking legal advice for further action.

Before and After School Club & Nursery Fees

MCAS accounts will be monitored every fortnight to ensure that balances are reducing. If no payments have been made, a reminder text will be sent out via MCAS.

Two weeks before the end of half term, parents/carers with significant outstanding balances will be contacted by phone to discuss the level of debt and timescales for payment.

If the outstanding debt remains uncleared within the timescales agreed, a letter will be sent to the parents/carers informing them that, despite our best efforts, the debt remains. Parents/carers will be given a final opportunity to clear the debt within 7 days and informed that the school has no choice but to withdraw the placement.

If no monies are paid within 7 days, the parent/carer will be invited in to speak with the School Business Manager and/or an Executive Co-Headteacher. At this time a written agreement plan will be put in place. The repayments and length of the plan should be acceptable to both the school and the parent/carer. The plan will be monitored on a regular basis by the SBM. Failure to adhere to the plan will result in the school seeking legal advice for further action.

Negotiation of repayment terms

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

A sensitive approach to debt recovery will be carried out, taking the following factors into account:

- Hardship: where paying the debt would cause financial hardship.
- Ill health: where our recovery action might cause further ill health.
- Time: where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
- Cost: where the value of the debt is less than the cost of recovering it.
- Multiple debt: where someone owes more than one debt to the School.

In this situation an attempt to agree a repayment plan to include all debts will be made. A request for '*repayment terms*' may be negotiated at the discretion of the Executive Co-Head teacher and/or School Business Manager. A record of all such agreements entered into will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment. The settlement period should be the shortest that is judged reasonable.

The Executive Co-Headteacher and/or School Business Manager will decide whether any debtor who has been granted extended settlement terms will be offered any further '*credit*' and in future will be required to pay in advance for all services.

Removal of services within school

This Debt Management Policy in respect of dinner monies includes the refusal to provide a school meal when the parent/carer has not paid or made contact with the school and payment has been outstanding for 4 weeks.

The Academy reserves the right to withdraw a child's self-funded Nursery place if full payment is not received within the stated and/or agreed credit period. This does not affect the Government funded placement.

The Academy reserves the right to withdraw a child's place in the Before and After School Club if full payment is not received within the stated and/or agreed credit period.

Summary

We hope that by implementing this Debt Management Policy, we are able to keep debts to a minimum and help parents/carers manage school dinner accounts, Before and After School Club charges and Nursery fees effectively. The policy should also reduce the administration time and costs involved chasing debts, whilst ensuring that money, which should be spent on children's education is not used to pay for debts incurred by parents/carers.

Contact templates - Lunches

Lunch Account Reminder (SMS) – accounts overdue less than £10

Reminder – [StudentForename]'s lunch account requires a top up. Please log in to MCAS to add money to “his/her” lunch account. Thank you.

Lunch Account Arrears (SMS) – accounts overdue more than £10 less than £20

[StudentForename]'s lunch account is now in arrears of [StudentDinnerBalance]. Please reduce this amount by the end of the week. Thank you

Lunch Debt (SMS) – sent after no response to admin telephone calls

We have been trying to contact you about [StudentForename]'s lunch account debt. Please contact the office as a matter of urgency. Thank you

Lunch Debt Letter (email and/or hard copy) – sent after no response to SBM calls

Dear [RecipientTitle] [RecipientSurname]

Despite several attempts to contact you, [StudentForename]'s lunch account remains outstanding at [StudentDinnerBalance].

Please arrange payment to bring your account into credit either by cash to the main office or via MCAS, by “date” usually within 7 days. Failure to do so may result in our refusal to provide [StudentForename] lunch.

Once the debt is cleared please ensure the account is kept in credit.

Should you have a query regarding the balance due or if you are having problems making this payment and wish to discuss your options please email emitchell@sticklepath.org.uk

If we do not hear from you we will assume you are in agreement and payment will follow.

Yours sincerely

Ellen Mitchell
Senior Administrator
Sticklepath Community Primary Academy
Tel: 01271 342455

Lunch Debt ECHT Letter (email and/or hard copy) – sent after no response to all previous contacts

Dear [RecipientTitle] [RecipientSurname]

It has been brought to my attention that, despite numerous reminders and attempts to contact you, there is still an outstanding balance of [StudentDinnerBalance] on

[StudentForename]'s lunch account.

As a result we are no longer able to provide [StudentForename] with a hot meal at lunch time and request that you provide a packed lunch every day.

Non-payment affects the quality of service we are able to offer to the children therefore we must ensure that all payments are up-to-date.

We would like to invite you to a meeting to discuss your debt to this school and to arrange a suitable repayment plan to reduce the outstanding balance.

Date:

Time:

Failure to attend or respond to this letter will result in the school seeking legal advice to pursue payment.

If you have any queries regarding this letter please contact the main office.

We look forward to meeting with you.

Yours sincerely

Ms S Warner
Executive Co-Headteacher

Mr R Blunt
Executive Co-Headteacher

Contact templates - BASC

BASC 2 weekly reminder (SMS)

BASC fees – I note that you have not made any payments towards your outstanding balance. Please do so via MCAS.

BASC – end of term (SMS)

A reminder that your BASC fees need to be paid in full by the end of this half term. Failure to do so may result in the withdrawal of [StudentForename]'s place. Thank you

BASC Letter – no response to calls / reminders

Dear [RecipientTitle] [RecipientSurname]

Despite several attempts to contact you, [StudentForename]'s Before and After School club fees for this half term remain outstanding. The total amount due is “club balance”

Please arrange payment to bring your account to a nil balance by “date” – usually within 7 days. Payment can be made either by cash handed to the main office or via your MCAS account. Failure to do so may result in [StudentForename]'s place being withdrawn and alternative provision for wrap-around care will need to be sought by you.

Should you have a query regarding the balance due or if you are having problems making this payment and wish to arrange a payment plan please email emitchell@sticklepath.org.uk

If we do not hear from you we will assume you are in agreement and payment will follow.

Yours sincerely

Ellen Mitchell
Senior Administrator
Sticklepath Community Primary Academy
Tel: 01271 342455

BASC ECHT letter – if no response to SBM

Dear [RecipientTitle] [RecipientSurname]

It has been brought to my attention that despite numerous reminders and attempts to contact you there is still an outstanding balance of “club balance” on [StudentForename]'s Before and After School club fees.

As a result we are no longer able to provide [StudentForename] with a place at BASC and you should look for alternative provision with immediate effect.

Non-payment affects the quality of service we are able to offer to the children therefore we must ensure that all payments are up-to-date.

We would like to invite you to a meeting to discuss your debt to this school and to arrange a suitable repayment plan to reduce the outstanding balance.

Date:

Time:

Failure to attend or respond to this letter will result in us seeking legal advice to pursue payment.

If you have any queries regarding this letter please contact the main office.

We look forward to meeting with you.

Yours sincerely

Ms S Warner
Executive Co-Headteacher

Mr R Blunt
Executive Co-Headteacher

Contact templates - Nursery

Nursery fees 2 weekly reminder (SMS)

Nursery fees – I note that you have not made any payments towards your outstanding balance, please do so via MCAS.

Nursery fees – end of term (SMS)

A reminder that your Nursery fees need to be paid in full by the end of this half term. Failure to do so may result in the withdrawal of [StudentForename]'s place. Thank you

Nursery Letter – no response to calls / reminders

Dear [RecipientTitle] [RecipientSurname]

Despite several attempts to contact you, [StudentForename]'s Nursery fees for this half term remain outstanding. The total amount due is “club balance”

Please arrange payment to bring your account to a nil balance by “date – usually within 7 days. Payment can be made either by cash handed to the main office or via your MCAS account. Failure to do so may result in [StudentForename]'s self-funded place being withdrawn. This debt will not affect [StudentForename]'s Government funded place.

Should you have a query regarding the balance due or if you are having problems making this payment and wish to discuss your options please email emitchell@sticklepath.org.uk

If we do not hear from you we will assume you are in agreement and payment will follow.

Yours sincerely

Ellen Mitchell
Senior Administrator
Sticklepath Community Primary Academy
Tel: 01271 342455

Nursery ECHT letter – if no response to SBM

Dear [RecipientTitle] [RecipientSurname]

It has been brought to my attention that despite numerous reminders and attempts to contact you there is still an outstanding balance of “club balance” on [StudentForename]'s Nursery fees.

As a result we are no longer able to provide [StudentForename] with a self-funded place at our Nursery and you should look for alternative provision with immediate effect. Please note that this debt does not affect [StudentForename]'s Government funded place.

Non-payment affects the quality of service we are able to offer to the children therefore we must ensure that all payments are up-to-date.

We would like to invite you to a meeting to discuss your debt to this school and to arrange a suitable repayment plan to reduce the outstanding balance.

Date:

Time:

Failure to attend or respond to this letter will result in us seeking legal advice to pursue payment.

If you have any queries regarding this letter please contact the main office.

We look forward to meeting with you.

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