



Name of Policy	Debt Management Policy
Date last reviewed	September 2023
Date to be reviewed	September 2024
Governor Committee	Resources
Key Member of staff	Business Manager
Statutory	Yes

Duxford Church of England Community Primary School is committed to safeguarding and promoting the welfare of children and young people and requires all staff and volunteers to share this commitment.

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1. Introduction

Duxford Church of England Primary School generates income from the following sources:

- School meals (pupils and staff)
- Lettings
- Fundraising Activities
- Other miscellaneous income

The Governing Body is responsible for the collection of income and the management of debt relating to the school, and must adopt any procedures and targets set by the Local Authority for the reduction of outstanding debt.

The purpose of this policy is to ensure effective debt management and to safeguard the school's finances.

This policy should be read in conjunction with the Charging and Remissions policy, and the Hiring of School Premises policy.

2. 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 Management Policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements. In particular:

- the Governing Body will approve the write-off of all debts, stocks, stores and surplus assets up to a limit of £250. For amounts greater than this, approval is required from the local authority's Head of Finance.
- all such write-offs will be recorded in the minutes of the Governing body,
- a formal record of any debts written off will be maintained and this will be retained for 7 years,
- the School will seek the advice of the Local Authority's Legal Services Section should they consider taking legal or other action to recover the debt.

In general, payment for all goods and services supplied by the School should be collected in advance or 'at the point of sale'.

When there are disputes relating to debts internal to the Local Authority, these shall be resolved by the Head of finance and the LGSS Director of Law, Property and Governance, after the debt has been outstanding for more than six months.

3. Acceptable 'Credit Period'

The Governing Body must determine the length of time they deem as an acceptable 'credit settlement period' before the debt recovery procedures are applied.

School lunches

School meals for pupils and staff must be paid for in advance of meals being taken. Children should know which lunch option they will have each day (packed lunch or hot school meal). If choosing school meals their ParentPay lunch account must be in credit.

Lettings

Lettings are invoiced termly in arrears for regular hirers. Payment is due within 14 days of the date of invoice. In accordance with the Duxford Hire Policy for non-regular hirers, a deposit of 50% of the total charges is due with the application and the balance must be paid 10 days before the hire date.

4. Reporting of outstanding debt levels

The School Business Manager and Headteacher will ensure that the level of outstanding debt is regularly monitored. Suitable records will be maintained to detail individual debts and the total value of debt to the school in order that it can be determined at any time and reported to the Resources Committee.

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

5. Debt Recovery Procedures

Where payment has not been received in accordance with the published terms and it is necessary to issue verbal and written reminders, details of all reminders will be maintained and where a letter is issued, a copy will be retained on file.

5.1 School Meals

Where payment from the parent/carer has not been received in advance, or 'at the point of sale' the following process will be applied:

- Letter 1 will be issued as a reminder at the end of the week where any debt is outstanding. (Appendix 1)
- Letter 2 will be issued to all parents/carers where there is a school meal debt of over £15.00 (Appendix 2)
- Letter 3 will be issued if payment is not received after one week this may be accompanied by a telephone call from the School Business Manager (Appendix 3)
- Letter 4 will be issued if payment remains outstanding for a further week. This will be accompanied by a telephone call, and the Headteacher will be notified. (Appendix 4)

If payment is still not received the School Business Manager or Headteacher will meet with the parents/carers to agree a repayment plan (Appendix 6). This will be followed by a written agreement. If payment is not received and the parent/carer cannot agree to a repayment plan the matter will be referred to the Resources Committee of the Governing Body to decide on next steps.

5.2 Lettings

Where payment from the hirer's of the school has not been received in line with the agreed terms and conditions, the following process will be applied:

- Initially the finance officer will email or telephone the hirer's of the school to remind them that the invoice remains unpaid. A record of this conversation will be kept.
- Lettings letter 1 will be issued if payment is not received after one week of this initial communication (Appendix 5)
- Lettings letter 2 will be issued if payment remains outstanding for a further week. This will be accompanied by a telephone call from the School Business Manager. The Headteacher will be notified. (Appendix 6)

If payment is not received and the hirer's cannot agree to a repayment plan the matter will be referred to the Resources Committee of the Governing Body to decide on next steps. All further sessions of the hire of school will cease.

If a debtor requests repayment terms these may be negotiated at the discretion of the Headteacher. 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 Headteacher will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will, in future, be required to pay in advance. (See appendix 7 for example of a repayment plan)

6. Costs of Debt Recovery

Where the school incurs material additional costs in recovering a debt then the Headteacher will decide whether to seek to recover such costs from the debtor. The debtor will be formally advised in writing that they will be required to pay the additional costs incurred by the school in recovering the debt. This decision and its basis will be recorded and reported to the Resources Committee.

7. Bad Debts

This debt management policy should be cross-referenced to the Scheme for Financing Schools. Write-off of any debt required the written approval of the Governing Body. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years. See Appendix 8 Debt Escalation Protocol

Review

Date approved by governing body:

Signed by:

Chair of Resources committee: Date:

Date of next review: 2024

Appendix 1 – School Meal Debt Letter 1

<<Date>>

<<Name(s)>>

<<Address 1>>

<<Address 2>>

<<Postcode>

Dear <<name(s)>>

Re: School Meal Payments for <<child's name and class>>

>>Child's name>> has been taking school meals this term, but no payment for this meals has been made. The outstanding balance on <<date>> was <<amount>>. I would be grateful if payment could be made on <<date>> to avoid the risk of debt accumulating.

Payment can be made via ParentPay <https://app.parentpay.com/public/client/security/#/login>

If you have not yet registered on this site, please ask at the office and your log-in details and a new password will be sent to you. If you would prefer, payment can be made by bank transfer cash at the school office.

Yours sincerely,

Mrs Victoria Roper
School Business Manager
Duxford Primary School

Account name: Cambridgeshire County Council, Duxford C of E Community Primary School
Bank account number: 25738275
Sort: 52-10-46
NatWest Bank

Appendix 2 – School Meal Debt Letter 2

<< date >>

<< name(s) >>

<< address 1 >>

<< address 2 >>

<< postcode >>

Dear << name(s) >>

Outstanding School Meal Payments for << name of child/ren >>

I am writing to inform you that we have not received full payment for your child's school meal to date. The outstanding balance on <<date>> was <<amount>> for meals taken without payment.

The cost of a school meal is £2.40 per day.

The school can no longer provide a meal if full payment is not received in advance or on the day the meal is taken. You will need to provide a packed lunch or arrange for them to return home for a meal until this debt is paid.

Payment can be made via ParentPay <https://app.parentpay.com/public/client/security/#/login>

If you have not yet registered on this site, please ask at the office and your log-in details and a new password will be sent to you. If you would prefer, payment can be made by cash or cheque at the school office.

If you wish to discuss the outstanding balance, discuss possible ways of how to make payment, or agree a repayment plan please contact me at the school so that we can discuss this. Please note I do not work on Fridays.

You can also email me on finance@duxford.cambs.sch.uk or you can come in and see me in person during this time.

Yours sincerely,
Mrs Victoria Roper
School Business Manager
Duxford Primary School

Account name: Cambridgeshire County Council, Duxford C of E Community Primary School
Bank account number: 25738275
Sort: 52-10-46
NatWest Bank

Appendix 3 – School Meal Debt Letter 3

<<date>>

<<name(s)>>

<<address 1>>

<<address 2>>

<<postcode>>

Dear <<name(s)>>

Outstanding School Meal Payments for <<name of child/ren>>

I am writing to inform you that we have not received full payment for your child's school meal to date. The outstanding balance on <<date>> was <<amount>> for meals taken without payment.

The cost of a school meal is £2.40 per day.

Meals will not be provided until the full balance outstanding has been cleared and we will not provide any meals on the same day as a payment is received if there is any balance still outstanding.

Payment can be made via ParentPay <https://app.parentpay.com/public/client/security/#/login>

If you have not yet registered on this site, please ask at the office and your log-in details and a new password will be sent to you. If you would prefer, payment can be made by cash or cheque at the school office.

If you wish to discuss the outstanding balance, discuss possible ways of how to make payment, or agree a repayment plan please contact me at the school anytime between 9.30 a.m. and 1.00 p.m. and ask to speak to me. You can also email me on finance@duxford.cambs.sch.uk or you can come in and see me in person during this time.

Yours sincerely,

Mrs Victoria Roper
School Business Manager
Duxford Primary School

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NatWest Bank

Appendix 4 - School Meals Debt Letter 4

<<date>

<<Name(s)>>

<<address>>

<<address>>

<<postcode>>

Dear <<Name(s)>>

FINAL REMINDER – OUTSTANDING SCHOOL MEAL PAYMENTS FOR <<name>>

Our records show that despite two previous reminders, you have still not made full payment of your child's school meal debt.

As at <<date>> the outstanding balance is <<amount>>

Please arrange for this money to be paid in full immediately and no later than <<date>> or contact the school to arrange a repayment plan, otherwise non-compliance will result in the matter being referred to the school's governing body who will decide whether to pursue legal action to ensure its recovery.

Payment can be made via ParentPay <https://app.parentpay.com/public/client/security/#/login>

If you have not yet registered on this site, please ask at the office and your log-in details and a new password will be sent to you. If you would prefer, payment can be made by cash or cheque at the school office.

Once the debt is cleared, please ensure that your child's school meal account is always in credit.

If you wish to discuss the outstanding balance or to arrange a repayment plan, please contact me at the school.

Yours sincerely,

Mrs Victoria Roper
School Business Manager
Duxford Primary School

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NatWest Bank

Appendix 5 – Lettings Debt Letter 1

<<date>>

<<Name(s)>>

<<address 1>>

<<address 2>>

<<postcode>>

Dear <<name(s)>>

Re: Invoice **** for hire of *** at Duxford Primary School

Further to my colleagues <<email/telephone call>> with you on <<Date>> the above invoice remains unpaid.

The balance on this invoice was due on <<date>>. I would be grateful if payment could be made by <<date>>.

Payment can be made by cash, cheque or direct bank transfer. Please email me on finance@duxford.cambs.sch.uk if you wish to know our bank details.

Yours sincerely,

Mrs Victoria Roper
School Business Manager
Duxford Primary School

Account name: Cambridgeshire County Council, Duxford C of E Community Primary School
Bank account number: 25738275
Sort: 52-10-46
NatWest Bank

Appendix 6 – Lettings Debt Letter 2

<<date>>

<<Name(s)>>

<<address 1>>

<<address 2>>

<<postcode>>

Dear <<name(s)>>

Re: Invoice **** for hire of *** at Duxford Primary School

Further to my letter to you dated <<datell>> the above invoice remains unpaid.

The balance on this invoice was due on <<date>>, and so is now some <<number>> days overdue. I would be grateful if payment could be made by <<date>>.

Payment can be made by cash, cheque or direct bank transfer. Please email me on finance@duxford.cambs.sch.uk if you wish to know our bank details.

Please be advised that if payment of this invoice is not received by <<date>> the matter will be referred to the school's governing body who will decide whether to pursue legal action to ensure its recovery.

No further sessions of you <<activity>> will be granted until payment of this invoice is made in full.

Please do not hesitate to contact me if you would like to discuss this further,

Yours sincerely,

Mrs Victoria Roper
School Business Manager
Duxford Primary School

Account name: Cambridgeshire County Council, Duxford C of E Community Primary School
Bank account number: 25738275
Sort: 52-10-46
NatWest Bank

Appendix 7 – Debt Repayment Plan

<<date>>

<<Name(s)>>

<<address 1>>

<<address 2>>

<<postcode>>

Dear

Outstanding Balance for School Meals for (name of child)

Repayment Plan Agreement

I am writing to confirm the arrangements agreed with you to settle the outstanding debt for (child's) school meals.

It is agreed that you will make payments to clear the outstanding balance as follows:

Total Balance Outstanding £

Dates of Repayments	Amount to be paid
XX/XX/XXXX	£XXXX
XX/XX/XXXX	£XXXX
XX/XX/XXXX	£XXXX

Should the agreed repayment plan not be adhered to the matter will be referred to the school's governing body who will determine whether to pursue legal action to recover the debt. If you need to discuss this matter further, please contact me at the school.

Please sign and return one copy of this letter confirming your agreement to the proposed repayment schedule.

Yours sincerely,

Mrs Blackburne-Maze
Headteacher
Duxford Primary School

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Appendix 8 – Debt Escalation Protocol

