

# St Catherine's Catholic Primary School

"Loving and Learning Together as Jesus taught us"



**St Catherine's Catholic Primary School**

Vale Drive, Barnet, Hertfordshire, EN5 2ED

Telephone 020 8440 4946

Fax 020 8441 4346

## Debt Management Policy

Date of policy review: Oct 2016

**Next review: Oct 2017**

Policy Reviewed & Passed by the Governors

Key Person Responsible: Maureen Kelly

## **Introduction**

As from 1<sup>st</sup> June 2016, the Governors of St Catherine's Catholic Primary School have adopted a strict 'no debt' policy in respect of all services provided by the school. This Debt Management policy for parents, carers and staff forms part of our strategy to make sure this is achieved. Voluntary contributions for activities are out of scope of this policy. For the purposes of this policy the term 'parent or parents' will be used to represent any parent, guardian or carer.

## **Background**

Where debts are allowed to build up, it often becomes harder for the person owing the money to pay. If a debt is not repaid then money which should be utilised to pay for children's education is used to subsidise these debts, which is an unacceptable use of public funds. We therefore hope that parents will understand why we are adopting this policy to avoid incidence of debts, and will give it their support in order to protect the education provided to all children in the school.

Therefore in adopting this policy we aim to:

- Reduce the risk of parents incurring large debts that they will struggle to pay off.
- Ensure that the entire school budget is used to provide educational services to all of our children.

## **Services which parents are required to pay for**

The services provided to pupils which parents are required to pay for include:

- School Meals (unless pupil is eligible for either Free School Meals or Universal Infant Free School Meals)
- Breakfast Club
- After School Club
- Nursery extended hours, where applicable
- Music tuition, for parents of students taking private music lessons
- Chargeable Activities, e.g. Residential School trips where board and lodging costs are chargeable to parents

## **Timing of payments**

Parents are required to pay for all services provided by the school in advance by making a payment to their child's account on the on-line payment system. On the on-line payment Parents can choose how frequently they make payments to their account; this could be termly, monthly or weekly but always in advance.

## **Debt Management process**

Where payment has not been made for a particular service that service will no longer be provided to the pupil concerned.

For school meals, this means that the parent will be requested to provide a packed lunch or take the pupil home for lunch. For extended nursery hours, any before and after school club services the pupil will not be allowed to attend and may lose their place.

Any family experiencing genuine financial hardship is encouraged to come and discuss this

confidentially with the head teacher before accessing chargeable school services. The Council may also be able to provide support for families experiencing hardship and the school will work with parents to help them access this support if there are eligible.

Any reasonable request for permission to pay in instalments will be considered. However, in the absence of either payment or an agreed payment plan within this period, the school will have no choice but to proceed with formal debt recovery which may include legal action.

## **Debt Management Steps**

### **Step One – Invoices/Statements**

- Parents are informed, via the newsletter, of the daily and weekly cost of breakfast club, after school club, school dinners and extended nursery sessions. Payments must be made in advance, reminders will be sent via text and email and the current balance can be accessed at any time from the school's on-line payment system.
- Parents / Carers of students on trips or making a purchase are advised of that cost prior to signing up to the trip or purchase. They are advised if payments are non-refundable and that cancellations may incur additional costs.
- Staff will be informed by school office staff of any cost of school meals. Payments are to be made in advance.

### **Step two – initial overdue reminder (See Appendix A)**

An overdue reminder is sent to the debtor, in the form of a statement, a letter or an e-mail. This is sent out at an appropriate time, usually prior to, but not more than one week after, the due date. Copies of all reminders are kept in a debtors' file, this reminder will ask for payment within 14 days from the date of the letter.

### **Step three – reminder letters (See Appendix B)**

If payment is not received following step two.

Formal reminder letters are sent to the debtor as per (appendix B) requesting payment within 7 days. Copies of all letters are kept in a debtors file.

### **Step four – letter from the Head (See Appendix C)**

If no response is received from the reminders the debt will be referred to the Headteacher who will write to the debtor and invite them in to discuss repayment. This letter will advise that should the school not hear from the debtor the matter will be passed to our legal section for debt recovery. The costs incurred by the school as a result of this process will be passed onto the debtor.

As in previous letters it will be made clear that the service being invoiced for will not be available until the debt is cleared, e.g. the child will not be able to attend after school club.

### **Step Five – Notice of Intention (See Appendix D)**

If no response is received from the Head's letter a notice of intention will be issued advising the debtor that the matter is being handed to the school's legal department for referral to a debt recovery company; it will be reiterated that the costs incurred by the school as a result of this

process will be passed onto the debtor.

Where the parent or guardian has been instructed not to use school services until the debt has been cleared but continues to do so; a member of the safeguarding team should make a call to the Multi Agency Support Team (MASH) of the appropriate local authority for advice.

#### **Step Six - Legal Action (See Appendix E)**

If a debtor does not respond to any of the steps above, the Chair of the Finance Committee of the Governing Body will need to authorise the debt being passed to legal and the debt recovery agency.

#### **Step Seven - Bad Debts (See Appendix F)**

The school must also consider if a debt should be written off. The decision must be made based on the value of the outstanding debt, and other background information given by the school and the debtor.

#### Authority to write off a debt is given as follows:

Authority to: Write off value

Head up to £50

Chair of the Finance Committee over £50 but less than £250.

Above this limit the matter must be referred to the Full Governing Body and advice sought from the Local Authority.

#### Reporting of outstanding debt levels (see Appendix G)

The Head teacher 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 Finance Committee.

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

The relevant member of the Administrative Team who monitors repayment of invoices/charges for each category of debt will produce a termly list of any outstanding debt above £100 every term. The list will be shared by the Headteacher with the Finance Committee at their termly meeting.

Appendix A

Initial Overdue Reminder  
To be printed on headed paper

Insert date

Insert name and address of carer

Dear Parent/Carer

Child's Name:

Class:

Overdue balance:

Balance due for After School Club/ Breakfast Club/School dinners/Extended Nursery Hours (delete as appropriate)

According to our records the above quoted balance remains unpaid. I am writing to ask that this balance be cleared by (insert date – 14 days )

If you have a query about the balance owed please contact Kim McKenzie in the school office.

Whilst this balance remains unpaid your child will **not** be able to attend after school club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend breakfast club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to have school dinners. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend extended Nursery Sessions. (Delete as appropriate)

Yours sincerely

Mary Ainger  
Headteacher

Appendix B

Second Overdue Reminder  
To be saved on Headed paper

Insert date

Insert name and address of carer

Dear Parent/Carer

Child's Name:

Class:

Overdue balance:

Balance due for After School Club/ Breakfast Club/School dinners/Extended Nursery Hours (delete as appropriate)

I am writing to you formally as according to our records the above quoted balance remains unpaid and the deadline payment quoted in my initial overdue reminder (insert date from previous letter) has lapsed. The school requires payment of this outstanding balance within 7 days.

If you have a query about the balance owed please contact Kim McKenzie in the school office.

Whilst this balance remains unpaid your child will **not** be able to attend After School Club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend breakfast club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to have school dinners. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend extended Nursery Sessions. (Delete as appropriate)

Yours sincerely

Mary Ainger  
Headteacher

Third Overdue Reminder – Appointment with the Headteacher  
To be printed on headed paper

Insert date

Insert name and address of carer

Dear Parent/Carer

Child's Name:

Class:

Overdue balance:

Balance due for After School Club/ Breakfast Club/School dinners/Extended Nursery Hours (delete as appropriate)

I am writing to you formally invite you to a meeting to discuss repayment terms of the overdue outstanding balance quoted above as according to our records the amount remains unpaid.

I have booked an appointment for you on (insert date). If you are unable to make the appointment time you may rebook it via the office within 7 days of receipt of this letter.

If you have a query about the balance owed please contact Kim McKenzie in the school office.

Whilst this balance remains unpaid your child will **not** be able to attend after school club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend breakfast club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to have school dinners. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend extended Nursery Sessions. (Delete as appropriate)

Yours sincerely

Mary Ainger  
Headteacher

Appendix D

Fourth Overdue Reminder – Notice of Intention

To be printed on headed paper

Insert date

Insert name and address of carer

Dear Parent/Carer

Child's Name:

Class:

Overdue balance:

Balance due for After School Club/ Breakfast Club/School dinners/Extended Nursery Hours (delete as appropriate)

I am writing to formally inform you that as the overdue outstanding balance quoted remains unpaid, the matter will be passed to the school's legal department for referral to a debt recovery company. The costs incurred by the school to commence this process will be added to your outstanding balance quoted above. Should payment be received by the school, this process will cease once your payment has cleared on the school's on-line payment system.

If you have a query about the balance owed please contact Kim McKenzie in the school office.

Whilst this balance remains unpaid your child will **not** be able to attend after school club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend breakfast club. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to have school dinners. (Delete as appropriate)

Whilst this balance remains unpaid your child will **not** be able to attend extended Nursery Sessions. (Delete as appropriate)

Yours sincerely

Mary Ainger  
Headteacher

## Appendix E

### Authorisation for Debt Recovery Procedures to Commence or Debt to be Written Off

Insert date

Chair of Governors  
c/o St Catherine's School

Dear Gordon ,

I would be grateful if you consider the outstanding debt listed below and authorise either for the payment to be collected via a debt recovery agency or for the debt to be written off (please refer to point 7 of the school's debt recovery procedures).

#### Authorisation for Debt Recovery

Debtor	Details of debt	Amount (£)	Invoice reference and date (where applicable).	Reason for write-off (including brief details of measures taken to secure payment - as appropriate).	Authorisation of write off – name and signature of the authorising individual and date.  Cross reference to entry in the accounts where applicable.

### Authorisation for Debt Write Off

Debtor	Details of debt	Amount (£)	Invoice reference and date (where applicable).	Reason for write-off (including brief details of measures taken to secure payment - as appropriate).	Authorisation of write off – name and signature of the authorising individual and date.  Cross reference to entry in the accounts where applicable.

I would be grateful if you could return this letter to the school office once you have authorised your decision.

Yours sincerely

Mary Ainger

Headteacher





