



Greenway Primary & Nursery School

Debt Recovery Policy

Date of approval: 6 July 2022

Date of Review: Summer term 2023

Greenway Primary & Nursery School ('the school') will take all reasonable measures to collect debts vigorously 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 debt recovery policy will observe the relevant financial regulations and guidance set out in the Financial Handbook for Schools and any other legal requirements and will also relate to waccy. In particular:

- the Governing Body will not write-off any debt belonging to the school which exceeds £500. Any sums above this will be referred to the Director of Children Schools and Families for approval and the formal agreement of the County Council's Finance Director obtained before writing-off. (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 to the County Secretary to consider taking legal or other action to recover the debt.
- The school will collect any debts from non-payment of dinner money and be liable for any losses from non-payment.

School staff will follow the procedures below to secure the collection of all debts: Recording of goods or services supplied where payment is not received in advance or 'at the point of sale'.

A record will be kept of all such supplies that details what was supplied, the value, the date(s) and the identity of the 'debtor', e.g. child, parent, hirer, etc.

Where invoices are raised these should state the date by which payment is due.

In all other cases correspondence with parents, etc. should indicate the maximum period that the school regards as reasonable before payment is overdue, e.g. contributions for a school trip should be received by, payment for items purchased should be sent to the school office by, etc.

The Headteacher should determine what the reasonable 'credit period' is if this is not otherwise specified, e.g. the governors may stipulate the maximum settlement period for school lettings in a separate 'lettings policy'.

Initial reminders

Initial reminders may be informal and made either in person (when a parent comes to collect/drop off the child) or by text or telephone by the office staff. Reminder texts will be sent as and when necessary. With regard to school dinner debts, a text or phone call would be sent after a number of reminders advising that non-payment by a specified date would mean that their child was no longer able to have school dinners. A similar process would be followed for debts for 30 hours and waccy whereby non-payment by a specified date would result in a child no longer being able to attend afternoon nursery or waccy sessions.

First reminder letter

Should texts and/or telephone conversations be not successful in achieving payment of the debt, then a formal reminder letter would be issued.

Second reminder letter

A second reminder letter will be issued in 2 weeks after the first reminder letter. Copies of letters issued will be kept on file as formal written evidence should a debt

need to be taken beyond two reminder letters.

Failure to respond to reminders / settle a debt

If no response is received from the reminder letters issued, a letter will be sent to the debtor advising them that the matter will be referred to the County Secretary's Department, Legal and Administration.

At the discretion of the Headteacher 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 Headteacher. A record of all such agreements will be kept. A letter will be issued to the debtor confirming the agreed terms (unless this is not judged necessary). The settlement period should be the shortest that is judged reasonable.

The PFP Committee 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 PFP Committee 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 Office Manager will ensure that the level of outstanding debt is known / can be determined at any time.

The Headteacher 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

Write-off of any debt <£200 requires the written approval of the Headteacher and for debts between £200 and £500 the written approval of the PFP Committee.

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 County Council 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).