



Debt Management Policy

2018-2020

1 Introduction

1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.

1.2 This policy sets out the procedure for debt recovery and for the write-off of any debt that is deemed irrecoverable.

2 Policy

2.1 In line with our Charging and Remissions Policy, payment for all school related goods and services must be made in advance. On ParentPay, there are facilities to prepay for all school goods and services.

2.2 Where money is not available on ParentPay when the goods or services are taken, the school has the right to refuse the uptake of this service. However, should the school make an exception (e.g. school dinners), parents will enter a negative balance and their account will be frozen until the debt is cleared and a balance reinstated i.e. no more school lunches or services, including WrapAround Care, can be taken. Therefore, parents must make alternative arrangements for the services that the school provide.

2.4 When a parent/guardian is in debt to the school for any amount, the following procedure will take effect:

3 Debt Collection Procedure

Stage 1: Debt Notification Letter

A letter or email will be sent, notifying the parents/guardians that they are in debt to the school and all school services have been frozen. Please note that this applies to all services (e.g. a debt for school dinners will mean that children can also no longer attend WrapAround Care). The letter will also state the amount due and that payment must be made within seven calendar days.



St. Catherine of Siena Catholic Primary School

Stage 2: Debt Reminder Letter

Should the balance not be paid in this time frame, a further reminder letter will be sent. The debt must then be cleared within three calendar days.

Stage 3: Debt Reminder Phone Call

Should the balance still remain unpaid after ten calendar days, the office staff or a member of the Senior Leadership Team will contact the parent or guardian by telephone to discuss the payment of the debt and arrange a meeting with the Headteacher.

Stage 4: Debt Meeting – Headteacher

If the balance is still not settled, the debt will be referred to the Headteacher, who will contact the debtor to invite them to attend a meeting. During this meeting, the Headteacher will inform the debtor that the matter will be passed over to the Governing Body for debt recovery if it is not settled within seven calendar days. This may result in legal action. Should the debtor refuse to attend the meeting, the matter will automatically proceed to Stage 5.

Stage 5: Governors Notice of Intention

If no response or payment is received following the meeting with the Headteacher, the Governing Body's Finance and Resources Committee will issue a notice of intention, advising the debtor that matter is being handed to legal advisors for further action.

Stage 6: Legal Action

If a debtor does not respond to any of the steps above within the stated timeframes, the Finance and Resources Committee of the Governing Body will consider each debt with a view to passing it to legal advisors for further action. If appropriate the debt will be dealt with in a small claims court or by a debt collection agency.

Be who God created you to be and you will set the world on fire.



4 Debt Write-offs

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 £100

Finance and Resources Committee over £ 100

Write-off of outstanding debt in excess of £100 must be approved by the Finance and Resources Committee following submission of details of the debt by the Headteacher together with reasons for no further action being taken.

A write-off must not be communicated to the debtor. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records.

Debts of children who are no longer at the school will follow the same procedures outlined in this policy. The school reserves the right to contact the child's new school and inform them of the outstanding balance and that the parents/guardians are bad debtors.

5 Repeating Debtors

Where a parent or guardians continually goes into debt, the Headteacher has the right to refuse the use of school services and goods for a fixed term.

Approved by: Finance & Resources Committee

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