

St Joseph's Catholic Primary



Debt Recovery Policy

Policy Approved: November 2021

Policy Updated: November 2022

Signed by:

_____ Headteacher Date: _____

_____ Chair of governors Date: _____

Contents

Vision Statement

Statement of intent

1. Legal framework
2. Roles and responsibilities
3. Acceptable 'credit period'
4. Declaring outstanding debt levels
5. Debt recovery procedures
6. Verbal and written overdue payment reminders
7. Failure to respond
8. Negotiation of debt repayment
9. Exceptional circumstances and remissions
10. Debt recovery costs
11. Monitoring and review

Appendices:

1 Letter 1 – initial contact re: outstanding dinner monies

2 Letter 2 – reminder re: non payment of debts

3 Letter 3 – debts passed to Safeguarding and Governors for consideration of action

Vision Statement

At St Joseph's we can do anything through Christ who gives us strength to nurture a

school where we respect each other through feeling safe and supported. In Christ we live and learn together providing inspiring opportunities to be the best we can be. To take pride in our school and where we come from. Just as Jesus worked side by side with St Joseph the worker, we will work together to:

- Provide a welcoming environment based on trust and mutual respect.
- Be ready to learn at all times
- Be inclusive and understanding
- Celebrate success
- Commit to having high expectations

Statement of intent

St Joseph's Catholic Primary is committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, and has established policies and procedures to ensure that no child is discriminated against by our offering of school trips, activities and educational extras.

While this is the case, the school must have a policy in place to ensure the repayment and recuperation of any outstanding debts incurred by the school on behalf of a pupil. 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.

Each case is to be treated individually and the circumstances that have led to the outstanding debt will be taken into account to determine the best course of action and whether it is fair and reasonable to pursue the debt in its entirety if at all. The school is committed to adhering to legal requirements regarding charging for school food, activities and materials, and meeting all statutory guidance provided by the DfE.

1. Legal framework

1.1. This policy will adhere to the relevant legislation and statutory guidance surrounding school payments and debt recovery, including the following:

- DfE (2018) 'Charging for school activities'
- DfE (2018) 'Schemes for financing schools'

2. Roles and responsibilities

2.1. As a general rule, to avoid incurring debts, payments for materials and services provided by the school should be collected in advance or at the point of sale.

2.2. Any person(s) involved in the monitoring, recording and pursuing of debts owed to the school must formally record any information gathered and actions taken – data which is to be kept by the school for a period of **seven** years.

2.3. The school's **governing board**:

- Will regularly review details of its debts and what recovery action is needed.
- Must be consulted if legal services are required for debt recovery.
- Will adhere to the privacy rights of pupils and their guardians in all cases.
- May decide to leave a case of debt recovery to the decision of the Headteacher.

2.4. The **School Finance Officer and Headteacher** will ensure:

- Debt reminders are recorded, and those records maintained for a period of **seven** years – dates and times of letters, phone calls, emails, conversations or any other correspondence.
- Instances of debt are judged on an individual basis, with consideration of the nature of the debt and the circumstances of the family involved.
- The privacy of the pupil and their family will be protected by all staff.
- The level of outstanding debt owed to the school can be determined at short notice.
-

3. Acceptable 'credit period'

3.1. In the case of a debt, the **governing board** should agree upon a 'credit period' within which the debtor can pay the outstanding sum before debt recovery procedures are exercised. This period of time may vary, at the discretion of the **governing board**, dependent on the nature and size of the debt.

4. Declaring outstanding debt levels

- 4.1. The **Headteacher** and **governing board** will review the level of outstanding debts every **term** to determine whether current debt levels are acceptable and whether current methods and procedures to recover debts are effective.
- 4.2. Any individual cases of debt that are deemed to require intervention will then be pursued by the procedure starting from section five of this policy.

5. Debt recovery procedures

- 5.1. Where there is an outstanding payment yet to be received and the acceptable credit period has been surpassed, an official invoice should be created outlining the value and reason for the debt, as well as the debtor's identity.
- 5.2. Upon creating the invoice and stipulating a date on which it must be paid by, there is acknowledgement from the school that the debt has been set up.

6. Verbal and written overdue payment reminders

- 6.1. **Initial verbal reminder** – informal in-person/telephone/email correspondence notifying person of debt from school office. (date and time should be officially recorded).
- 6.2. **First formal written reminder** – an official, dated letter addressed to the debtor should be written up two weeks after the first informal reminder and should acknowledge that it took place. [Appendix 1]
- 6.3. **Second formal written reminder** – this should come two weeks after the second reminder, citing the details of both previous reminders and stating that concerted efforts have been made to make the person aware that an outstanding debt is overdue. [Appendix 2]

7. Failure to respond

- 7.1. If these reminders are not responded to, another letter will be sent to the debtor advising them that the case has been to the school's legal advisors and **governing board**. [Appendix 3].

It is then for these parties to agree on a timeframe for a repayment or, if necessary, a payment plan for separate instalments.

8. Negotiation of debt repayment

- 8.1. It is expected that the debt should be repaid as soon as possible, particularly after repeated reminders; however, this can be negotiated at the discretion of the **governing board**, particularly if the circumstances in section nine of this policy apply.

- 8.2. If there is a case where the debtor is deemed to be refusing to pay without sufficient reason, the school may consider involving LAs and the council's legal services to resolve the issue and recuperate owed funds.

9. Exceptional circumstances and remissions

- 9.1. The school must ensure that guardians of pupils are aware of the help the school can extend to those in financial difficulty. Guardians who may be eligible for remissions are those in receipt of any of the following benefits:
- Income Support
 - Income-based Jobseeker's Allowance
 - Income-related Employment and Support Allowance
 - Support under part VI of the Immigration and Asylum Act 1999
 - The guaranteed element of State Pension Credit
 - Child Tax Credit, provided that they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190
 - Working Tax Credit run-on – paid for four weeks after they stop qualifying for Working Tax Credit
 - Universal Credit – if they apply on or after 1 April 2018, their household income must be less than £7,400 a year (after tax and not including any benefits that they receive)
- 9.2. In a case where there is, or it is suspected that there is, an overdue debt from a family who may qualify for remissions, details of the different types of bursary available should be sent to the debtor in question.
- 9.3. The **governing board** is not guaranteed to but may decide to waive or reduce the outstanding debt in these circumstances.

10. Debt recovery costs

- 10.1. In addition to the remission allowances outlined in section nine, it may be advisable to waive or partially waive debts where it is deemed that it does not make financial sense to continue allocating time and resources to pursuing.
- 10.2. The **governing board** will review any case a debt may be waived, and come to a final decision based on the value of costs versus value of the debt.

11. Monitoring and review

- 11.1. The **governing board** will review this policy **annually**, and changes relating to any updated legislation will be made accordingly.
- 11.2. The **governing board** will communicate any changes to this policy to all relevant stakeholders.
- 11.3. The next scheduled review date for this policy is **November 2023**

Appendix : Letter 1

Dear Parent / Carer of {insert name of pupil}: Class:

I am writing to remind you that according to our records, you have arrears on your child's dinner money account. In order for your child to continue to receive school lunches it is important to keep your account in credit.

Our records show that for your child Class: at your debt is Please arrange for this to be paid immediately by using Arbor, our secure online payment system. You can use the login previously provided.

Please visit www.arbor-education.com or pay via the parent ArborApp

Your username and password are:

Name: _____ Password: _____

You can check your account balance at any time by logging into your Arbor account.

Once the debt is cleared please ensure the account remains in credit. If you have any queries regarding these arrears or if you have difficulty making payment, please contact the school office to discuss this further.

Yours sincerely

Miss Laura Atkinson
Headteacher

Appendix B : Letter 2

Date

Dear Parent / Carer of {insert name of pupil}: Class:

Our records show that you have not paid dinner money for your child Year..... .

As at [date] your account is showing a debt of £.....

Please arrange for this money to be paid immediately. Once the debt is cleared please ensure the account is always in credit. The cost of a school meal is £2.76 per day - £13.80 per week. Since non-payment for school meals affects the quality of service we offer to the children, we need to ensure that all payments are up-to-date. If the debt is not cleared it will not be possible to provide your child with a school meal. You will need to make your own arrangements for your child's lunch.

The Governing Body reserves the right to begin legal proceeding to recover the debt. If you have any queries regarding these arrears, please contact the school office immediately.

Yours sincerely

Miss Laura Atkinson
Headteacher

Appendix C – Letter 3

Date

Dear Parent / Carer of {insert name of pupil}: Class:

Re: School Dinners

I am disappointed you have been unable to contact me to make arrangements to recover the outstanding debt of £

In line with the school's Debt Policy and procedures (a copy of which is available on the school website), I have no option but to refer this outstanding debt to the school Governors, and to our local safeguarding team. The School Governors will consider the situation and will contact you in due course over the action they will take.

Yours sincerely

Miss Laura Atkinson
Headteacher