

The
Emmanuel
School
Trust



Debt Recovery Policy

This policy was adopted on 20th October 2022

Agreed on behalf of Emmanuel Community School

1. General Requirements

- 1.1. Emmanuel Community 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.
- 1.2. The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Academies Financial Handbook and the School's Funding Agreement and any other legal requirements.
- 1.3. In particular:
 - The formal agreement of the Chair of the Governing Body will be obtained before a debt exceeding £1,000 is written 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).
 - Debts greater than £10,000 can only be written off by the Chief Executive Officer of the Trust.
 - A formal record of any debts above £1,000 written off will be maintained and this will be retained for 7 years (the form of this record is specified at Appendix 6).
 - The school will not initiate any legal action to recover debts, but will refer any debts which it has not been able to collect (unless a decision to write-off the debt is deemed a reasonable course of action) to the Trust's Legal Services section to consider taking legal or other action to recover the debt.

2. Acceptable Credit Period

- 2.1. In general payment for all goods and services supplied by the school should be collected in advance or at least within 30 days of the goods/service being supplied.

3. Breakfast & After School Club – Rise & Shine Club

- 3.1. As per the Registration Form and Terms & Conditions signed by the parent/carer, all fees are to be paid promptly, either at the end of the week of attendance or at the end of the month of attendance. A statement will be sent to parents if payment is not received when due. If fees remain due 7 working days after the statement has been issued then children may not be able to attend.
- 3.2. Payment is required for all days booked even if the child does not attend, the exception being when school is closed. Should the child no longer require a place the parent/carer is to advise by letter giving one month's notice, otherwise the parent/carer is still liable for charges. Should the parent/carer fall into arrears, the club will withdraw the child's place.

- 3.3. If children are collected late ie: after 6pm then a charge of £1 per minute will be added to the parent'(s) bill.

4. School Lunch

- 4.1. It is recommended that payment is made a minimum of one week in advance and a credit balance is maintained at all times. When a child has a school lunch the meal is added to their lunch account on Parent Pay which the parent can view by logging into their ParentPay account.
- 4.2. Should the parent/carer fall into arrears, the school will contact the parent (by telephone or letter) advising that a payment is required within seven days. If payment still isn't received a further letter will be sent advising the parent/carer that their child will no longer be entitled to a school lunch and that they should send their child to school with a packed lunch. Failure for the parent/carer to provide their child with a packed lunch may result in involving the school's child protection officer.

5. Reporting of outstanding debt levels

- 5.1. The Headteacher/Office Manager or Finance Assistant 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.

Level of debt will be monitored by senior leadership team and will be reported to FPHAR in exceptional circumstances such as if there are trends of debt that need addressing.

6. Debt Recovery Procedures

- 6.1. Where payment from the parent/carer has not been received within the acceptable credit period the following process should be applied (see Appendix 1).

7. First 'overdue payment' reminder letter – Appendix 2

- 7.1. An initial reminder letter will be sent home requesting the account be credited with one week's full amount by the Wednesday of that week.

8. Second 'overdue payment' reminder letter (WARNING LETTER) – Appendix 3

- 8.1. If full payment is not received by that Wednesday, Letter Two will be sent home on Thursday advising their child's breakfast club/after-school club/school lunch place HAS been cancelled. Payment or a repayment plan must be made by Friday. A follow up phone call will be made to the parent/carer as they will need to make other arrangements.

9. Third (FINAL) 'overdue payment' reminder letter (if combined debt amount equals £50 or more) – Appendix 4

9.1. If by the following Monday no payment or response is made, Letter 3 will be sent home advising this is a Final reminder and payment must be received immediately otherwise the Trust's Legal Services may be contacted.

10. Staff Debt Recovery

10.1. Staff debts can accumulate from staff school lunches they have taken. A standard Parent Pay letter will be raised advising of the debt. If the debt is still outstanding one week later a school lunch will not be provided until the debt is paid in full. A Final letter will be hand delivered to a member of staff before the end of their employment advising their debts will be deducted from payroll.

11. Negotiation of repayment terms

11.1. Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the initial 'overdue payment' reminder.

12. However, if people are unable to pay;

12.1. The School may reduce or cancel a debt in certain circumstances. A sensitive approach to debt recovery will be carried out, taking the following factors into account:

- Hardship – where paying the debt would cause financial hardship.
- Ill health – where our recovery action might cause further ill health.
- Time – where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
- Cost – where the value of the debt is less than the cost of recovering it.
- Multiple debt – where someone owes more than one debt to the School. In this situation an attempt to agree one repayment plan to include all debts will be established.

12.2. If a debtor requests for 'repayment terms' these may be negotiated at the discretion of the Headteacher/Office Manager. A record of all such agreements entered into will be retained (See Appendix 5 for Template).

12.3. 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/Office or Finance Manager will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and in future will be required to pay in advance.

13. Costs of debt recovery

13.1. Where the school incurs material additional costs in recovering a debt then the Head teacher 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 FPHA Committee.

APPENDIX 1

Debt Recovery Process

Monday Check all accounts
Call or write to all parents in arrears. Letter One template
Wednesday Check debt account
Call or write to all parents still in arrears. Advise the issue has been escalated and the lunch/service will be withdrawn if payment is not received by Friday. Letter Two Template
Friday Check debt account
Letter 3 Template goes out to all parents still in arrears withdrawing the lunch/service.

APPENDIX 2

Letter/Phone call One Template

I am writing to remind you that according to our records, you have arrears on your child's Breakfast club/After School Club/School lunch account. In order for your child to continue to attending Breakfast /After School Club / School lunch it is important to keep your account in credit.

Our records show that for your child < child's name> in <Class> has a debt of <Debt>

Please arrange for this to be paid by insert DATE.

You have two ways to make payment. You can pay for Breakfast & After School Club at the Club Office by debit card or you can pay using ParentPay, our secure online payment system, using the login previously provided. Please visit www.parentpay.com

Your username and password are:

User Name & Password

You can check your school lunch account balance at any time by logging into your ParentPay account.

Non-payment affects the quality of service we are able to offer to the children therefore we need to ensure that all payments are up-to-date. Once the debt is cleared please ensure the account is kept 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

**School Office
Emmanuel Community School**

APPENDIX 3

Letter Two Template

Our records show that despite numerous reminders, you have still not made payments on Breakfast club/After School club/School lunch account for your child Class:

I am writing to advise you that unless your account is brought up to date immediately the child's Breakfast club/After school club/School lunch place will be CANCELLED

As at **<date>** your account is showing a debt of **<balance>**

Please arrange for this money to be paid immediately or contact the school to arrange a payment plan, otherwise non-compliance may result in Legal action.

Once the debt is cleared please ensure your child's you stay up to date with payments.

You have various ways to pay the outstanding amount:

1. School lunches can be paid using ParentPay the online payment option; using the login already provided please visit www.parentpay.com.

Your username and password are: **User Name Password**

2. Breakfast and Afterschool club can also be paid via debit card at the Breakfast & Afterschool office On a Monday to Thursday.

You can check your lunch account balance at any time by logging into your ParentPay account at www.parentpay.com.

If you have any queries regarding these arrears, please contact the School Office to discuss.

Yours sincerely

School Office
Emmanuel Community School

APPENDIX 4

Letter Three Template– FINAL REMINDER

It has been brought to my attention that despite numerous reminders there is still an outstanding balance on your Breakfast club/After School club/School lunch account for Class:

As at <date/> your account is showing a debt of <balance/>

Please arrange for this money to be paid by (FRIDAY **add date**) at the latest. Your account will be checked on Monday morning and should the account be showing an outstanding balance or you have not contacted the school to arrange a payment plan; **the Trust's Legal services may be contacted.**

Once the debt is cleared and should you wish your child to resume Breakfast club/After School club/School lunch, can you please contact the School Office to discuss regular payments.

You have various ways to pay the outstanding amount:

1. School lunches can be paid using ParentPay the online payment option; using the login already provided please visit www.parentpay.com.

Your username and password are: **User Name Password**

2. Breakfast and Afterschool club can also be paid via debit card at the Breakfast & Afterschool office On a Monday to Thursday.
3. If you wish to pay by PayPoint card please use the barcode at the bottom of this letter and contact the school office for to order a PayPoint card.

You can check your lunch account balance at any time by logging into your ParentPay account at www.parentpay.com.

If you have any queries regarding these arrears, please contact the School Office to discuss.

Yours sincerely

Headteacher

<Barcode/>

APPENDIX 5

PAYMENT PLAN PROCESS TEMPLATE

If a payment plan to recover a debt is required - please use the sample attached.

Ensure the parent signs one copy in agreement and returns to the School Office and it is kept on file.

Dear _____

Following our conversation regarding the outstanding debt for Breakfast club/After School club/School lunch payments, please find below repayment schedule in order to clear your account.

Balance outstanding £ xxx

Repayment week commencing XXXXXXXXXX Amount to pay: £

Repayment week commencing XXXXXXXXXX. Amount to pay: £

Repayment week commencing XXXXXXXXXX. Amount to pay: £

Repayment week commencing XXXXXXXXXX. Amount to pay: £

Can you please sign and return one copy of this letter showing agreement to the proposed repayment schedule.

Repayments must be made via Parent Pay using the log in details provided previously.

Until the outstanding debt is cleared, your child will not be able to attend Breakfast club/After School Club/School lunch.

If you need to discuss this matter further, please do not hesitate to contact me on the above number.

Yours sincerely,

Headteacher

