



DEBT RECOVERY POLICY

Captain Webb Primary School

Written By	L Sanderson	Version 1.0	06/09/20
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CAPTAIN WEBB PRIMARY SCHOOL

Debt Recovery Policy

1. General requirements

Captain Webb Primary 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.

The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements. In particular:

- The formal agreement of the Local Authority's Director of Finance and Resources (Section 151 Officer) 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).
- 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 Council's Legal Services section to consider taking legal or other action to recover the debt.

Acceptable 'credit period'

1. General Invoices

In general payment for all goods and services supplied by the School should be collected in advance or at least within **30 days upon receipt of an invoice**.

2. Breakfast and After School Clubs

As per the agreement and offer letter signed by the parent/carer, we recommend that payment is made a minimum of one week in advance and a credit balance is maintained at all times.

Payment should be made online on the child's Tucasi account (where parents can view their charges, payments and balances). In agreed cases cash payments can be made to the school office.

Payment for After School Club is required for all days booked even if the child does not attend, the exceptions being when school is closed. Should the child no longer require a place the parent/carer is to advise the School office at least one week in advance, otherwise the parent/carer is still liable for charges.

Should the parent/carer fall into arrears, for either club, the school will withdraw the child's place.

3. School lunch

We recommend that payment is made a minimum of one week in advance and a credit balance is maintained at all times.

This money is due to the Local Authority, not the school, who have a very strict no debt policy.

Payments can be made either by posting cash, in a labelled envelope, in the Post Box (next to the school office), or direct to Telford and Wrekin online at http://www.telford.gov.uk/info/20028/school_meals/8/pay_for_school_meals

When a child has a school lunch they go through the school till which records the dinner on the T&W System.

Should the parent/carer fall into arrears and fail to make a payment within a reminder letter, 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.

4. **Reporting of outstanding debt levels**

The Headteacher/School Business Manager 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.

5. **Debt Recovery Procedures**

Where payment from the parent/carer has not been received within the above acceptable credit period the following process should be applied.

First 'overdue payment' reminder letter

An initial reminder letter will be sent home, on the Friday, requesting the account be credited with the stated value. Warning that their child's club/lunch/nursery place will be cancelled if the debt is not cleared.

Second 'overdue payment' reminder letter (WARNING LETTER)

If full payment is not received by the following Monday, Letter Two will be sent home on the Tuesday advising their child's breakfast club/afterschool club/school lunch place will be cancelled if the debt has not been settled by Friday.

If the parent has any financial difficulties they have until the Friday to contact the school to agree a repayment plan. A follow up phone call will be made to the parent/carer as they may need to make other arrangements.

Third (FINAL) 'overdue payment' reminder letter

If by the Friday no payment or response is made, Letter 3 will be sent home advising that the place/entitlement HAS been withdrawn and alternative arrangements should be made. Parents will be reminded that the debt is still owed and failure to pay will result in referral to the Council's Legal Services.

If the account is still not settled within two weeks the account will be passed to the Legal Team.

5.1 Staff Debt Recovery

Staff debts can accumulate from staff school lunches they have taken. A lunch account statement will be put in their pigeon hole on the Monday advising of the debt. By the following Monday if the debt is still outstanding the same letter will be handed to them in person in the strictest of confidence and 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.

6. Negotiation of repayment terms

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

However, if people are unable to pay;

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.

If a debtor requests for 'repayment terms' these may be negotiated at the discretion of the Headteacher/School Business Manager.

A record of all such agreements entered into will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment (appendix 1).

The settlement period should be the shortest that is judged reasonable.

The Headteacher/School Business 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.

7. Costs of debt recovery

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 Resources Committee.

Debt Recovery Process

FRIDAY:

Check All Accounts

Letter 1 goes out to all parents with arrears

All debts at +£10 are also followed with a phone call

MONDAY:

Check debt account

Letter 2 goes out to all parents in arrears

Followed by phone call to advise the issue has been escalated

FRIDAY:

Check debt accounts

Letter 3 goes out to all parents still in arrears

Followed by a phone call to advise alternative provision is required

Appendix 1

Payment Plan Agreement:

Dear _____

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

Balance outstanding £ xxx

Repayment week commencing XXXXXXXXX

Repayment week commencing XXXXXXXXX

Repayment week commencing XXXXXXXXX

Repayment week commencing XXXXXXXXX

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

Repayments need to be made via Tucasi / T&W online payments * delete as applicable.

Until the outstanding debt is cleared, your child will not be able to attend Breakfast club/Afterschool club/School lunch * delete as applicable

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

Yours sincerely

Miss L Sanderson
School Business Manager

Letter One – School Services

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

Our records show that for your child *Name*, Class: *class* at *date* your debt is *balance*

Please arrange for this to be paid by *date*.

You have two ways to make payment.

You can pay using Tucasi Scopay, our secure online payment system, using the login previously provided. Please visit www.scopay.com

Or

You can pay in cash at the school office.

You can check your account balance at any time by logging into your Scopay account. You can also see what services have been taken and when.

Non-payment affects the quality of service we are able to offer to the children, and can impact on our public funding, therefore we need to ensure that all payments are up-to-date. Once the debt is cleared please ensure the account is always in credit.

If you have any queries regarding these arrears, or if you have difficulty making payment, please contact me at the School Office to discuss this further.

Yours sincerely

Kaye Pawluk
Administrative Assistant

Letter One – Dinner Arrears

I am writing to remind you that according to our records, you have arrears on your child's School lunch account. In order for your child to continue to access a School lunch it is important to keep your account in credit. This account is with the Local Authority who have a strict no debt policy.

Our records show that for your child *Name*, Class: *class* at *date* your debt is *balance*

Please arrange for this to be paid by *date*.

You have two ways to make payment.

You can pay using the Telford and Wrekin on line payment system. Please visit http://www.telford.gov.uk/info/20028/school_meals/8/pay_for_school_meals
Or

You can deposit cash, in a labelled envelope, at the Post Box in the school office.

You can request an account balance/statement at any time from the school office.

If you have any queries regarding these arrears, or if you have difficulty making payment, please contact me at the School Office to discuss this further.

Yours sincerely

Kaye Pawluk
Administrative Assistant

Letter Two

Our records show that despite a reminder, you have still not made payments on Breakfast club/Afterschool club/nursery account for your child

Our records show that for your child *Name*, Class: *class* at *date* your debt is *balance*

As a result there Breakfast club/Afterschool club/nursery place will be CANCELLED if the debt is not settled by *date*. The school has a duty of care to protect its services, public funding, and to protect parents from developing debts which can become unmanageable.

Please arrange for this money to be paid immediately or contact the school to arrange a payment plan, otherwise we will have to cancel your service from the *date*

Once the debt is cleared please ensure your child's account is always in credit.

You have two ways to make payment.

You can pay using Tucasi Scopay, our secure online payment system, using the login previously provided. Please visit www.scopay.com

Or

You can pay in cash at the school office.

You can check your account balance at any time by logging into your Scopay account. You can also see what services have been taken and when.

Non-payment affects the quality of service we are able to offer to the children, and can impact on our public funding, therefore we need to ensure that all payments are up-to-date. Once the debt is cleared please ensure the account is always in credit.

If you have any queries regarding these arrears, or if you have difficulty making payment, please contact me at the School Office to discuss this further.

Yours sincerely

Kaye Pawluk
Administrative Assistant

Letter Two – Dinner Arrears

Our records show that despite a reminder, you have still not made payments on your child's school lunch account

Our records show that for your child *Name*, Class: *class* at *date* your debt is *balance*

As a result your child's access to school lunches will be CANCELLED if the debt is not settled by *date*. The school dinners are provided by the local authority who have a strict no debt policy.

Please arrange for this money to be paid immediately or contact the school to arrange a payment plan, otherwise the Local Authority will cancel your service from the *date*

You have two ways to make payment.

You can pay using the Telford and Wrekin on line payment system. Please visit http://www.telford.gov.uk/info/20028/school_meals/8/pay_for_school_meals

Or

You can deposit cash, in a labelled envelope, at the Post Box in the school office.

You can request an account balance/statement at any time from the school office.

If you have any queries regarding these arrears, or if you have difficulty making payment, please contact me at the School Office to discuss this further.

Yours sincerely

Kaye Pawluk
Administrative Assistant

Letter Three – **FINAL REMINDER**

It has been brought to my attention that despite previous reminders there is still an outstanding balance on your Breakfast club/Afterschool club/School lunch account for *Name*, Class: *class*

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

Your access to this service has been **withdrawn** until this debt has been cleared.

Please arrange for this money to be paid by *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 council's Legal services may be contacted.

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

You have two ways to make payment.

You can pay using Tucasi Scopay, our secure online payment system, using the login previously provided. Please visit www.scopay.com

Or

You can pay in cash at the school office.

You can check your account balance at any time by logging into your Scopay account. You can also see what services have been taken and when.

If you have any queries regarding these arrears, please do not hesitate to contact me.

Yours sincerely

Mrs Passey
Headteacher

Letter Three – FINAL REMINDER (Dinners)

It has been brought to my attention that despite previous reminders there is still an outstanding balance on your child's School lunch account for *Name*, Class: *class*

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

Your access to this service has been **withdrawn** until this debt has been cleared.

Please arrange for this money to be paid by *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 council's Legal services will be contacted.

Once the debt is cleared and should you wish your child to resume school lunches, can you please contact Mrs Pawluk, in the School Office, to discuss regular payments.

You have two ways to make payment.

You can pay using the Telford and Wrekin on line payment system. Please visit http://www.telford.gov.uk/info/20028/school_meals/8/pay_for_school_meals
Or

You can deposit cash, in a labelled envelope, at the Post Box in the school office.

You can request an account balance/statement at any time from the school office.

If you have any queries regarding these arrears, please do not hesitate to contact me.

Yours sincerely

Mrs Passey
Headteacher