



Debt recovery policy

Approved by:	Governing Body	Date: 2nd Feb 26
Last reviewed on:	-	
Next review due by:	2nd Feb 29	

1. General Requirements

Westbrook Primary School will take reasonable and practicable measures to collect debts as part of its management of funds. These will be balanced in terms of the size of the debt and school resources used to recover the debt. A debt will be written off only after 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 Financial Procedures Manual and any other legal requirements. In particular, the following authority limits will be adhered to in writing off bad debts:

Governing Body

Approve and write off bad debts accruing to the school over £250 and up to a value of £500; items above £500 must be referred to the Executive Committee for approval.

Headteacher

Write off bad debts up to £250. Amounts in excess of £250 to be approved by the Executive Committee.

- A record of any debts written off will be maintained.
- The school will not initiate any legal action to recover debts.

2. The following procedures will be part of debt management and collection of debt:

- 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 will state the date by which payment is due.

Initial reminders for pupil debt

Initial reminders may be informal and made either in person (when a parent comes to collect/drop off the child) or by text/email. Normally, the school office will undertake this having built up a good relationship with the parents.

First reminder letter for pupil debt

A formal letter will be issued by the Finance Officer as debts in excess of £50 arise.

Second reminder letter for pupil debt

A second reminder letter will be issued **1 month** after the First reminder letter.

Using reminder letters

Details of all reminders including copies of letters will be maintained.

3. 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 not judged necessary). The settlement period should be the shortest that is judged reasonable.

4. Reporting of Outstanding Debt Levels

The Finance Officer will run regular reports to monitor the level of school debt including staff and pupil debt.

Staff debt relating to dinner money – the Finance Officer will regularly inform the Office team and school kitchen of staff debts. The kitchen staff will be instructed to no longer provide meals to staff where debt is in excess of £20 until payment has been received.

Staff leavers – the HR Officer will request payment of any amount owed to the school when informed a staff member will be leaving, and advise the staff member that if payment owed is not received then **a deduction will be made from salary.**

Pupil debt relating to dinner money – the Finance Officer will regularly inform the Business Manager and Headteacher of pupil debt. Nonpayment of debt following letters sent to parents will also be reported. The Headteacher/Governing Body can consider writing off debts at this time as appropriate.

Lettings debt – the Business Manager will inform the Headteacher of any debt in excess of 2 months. Discretion can be applied by the Headteacher to maximize lettings income. The Headteacher/Governing Body can consider writing off debts at this time as appropriate.

5. Writing off debts

If all reasonable steps have been taken to recover the debt and there is no reasonable prospect for cost effective recovery, the limits below can be written off in line with delegated authority levels in the Financial Procedures Manual.

Headteacher

Approve and write off bad debts accruing to the school over £250 and up to a value of £500; items above £500 must be referred to the Executive Committee for approval.

Governing body

Write off bad debts up to £250. Amounts in excess of £250 to be approved by the Executive Committee.

6. Amounts owed by the school to Parents of pupils that have left

- The school will refund amounts owed to parents of pupils that have left, if £100 or over.
- If the school deems monies owed to parents by the school to be uneconomical to refund, we will write these off, unless contacted by the parents within 6 months of leaving.
- This has been agreed following advice from the school auditor Numeric Audit Limited.

RECORDS OF DEBTS WRITTEN OFF

Debtor:	Details of debt:	Amount: (£)	Inv Ref: (Date <i>where applicable</i>).	Reason for write-off:	Authorisation of write off – <i>name and signature</i>

Appendix 1

Date:

Outstanding Dinner Money - Reminder Letter.

Dear Parent/Guardian,

Re: Outstanding School Dinner Money for Child's Name.

According to our records it appears that there is dinner money outstanding for your child as of today.

The amount due for payment is £xx.xx. Dinner money should be payable in advance, therefore we would be very grateful if you could settle this balance **immediately**.

If you have any query or difficulty with payment of this amount please let us know as soon as possible. Our contact details are: finance-wb@westbrookprimary.co.uk

Thank you for your co-operation in this matter.

Kind regards,

Westbrook Primary
Finance Office

Appendix 2

Date:

Outstanding Dinner Money – Second Reminder Letter.

Dear Parent/Guardian,

Re: Outstanding School Dinner Money for Child's Name.

According to our records it appears that, your child has been having school meals and there are insufficient funds in his/her school comms account to cover this cost.

We wrote to you previously but you have not made a payment to clear the debt.

The outstanding balance as of today is £..... and we require this balance to be cleared **immediately**.

Payment can be made via school comms.

If you have any query or difficulty with payment of this amount please let us know as soon as possible. Our contact details are: finance-wb@westbrookprimary.co.uk

Thank you for your co-operation in this matter.

Kind regards,

Westbrook Primary
Finance Office