



The Societas Trust: Primary Academy

Debt Recovery Policy 2020

Introduction:

This policy observes the relevant financial regulations and guidance set out in the Academies Financial Handbook and other legal requirements. The Trust is required to apply robust financial controls which conform to the requirements of both propriety and good financial management.

The Trust is responsible for ensuring that appropriate procedures are in place to enable the academy to receive all income to which it is entitled in the recovery of any outstanding debt.

..... Primary Academy will therefore take all reasonable measures to collect any monies owing. Collecting money from parents or carers is a sensitive area; we deal with issues of debt collection with sensitivity and confidentiality at all times.

Debt Recovery Procedures

- If payment has not been received 30 days after invoice, an informal 1st reminder is made by phone/text/letter or direct to the parent/carer when the child is dropped off/collected requesting payment within 7 days; The office staff should enquire as to the nature of the delay in payment and obtain their agreement to pay within the next 7 days
- A 2nd Reminder will be sent if payment is still not forthcoming after 7 days, requesting immediate payment or contact be made to arrange repayment by instalment;
- A 3rd and final reminder will be sent if payment is still not forthcoming; for debts over £1,000 a threat will be issued to put the matter into the hands of a nominated Solicitor;
- If the debt relates to lettings, all future lettings relating to that customer are cancelled until payment is received in full.
- Debts of £100 and less will be pursued without reference to the nominated Solicitor and will be reported on at relevant committee of the Local Governing Board meetings where LGB members will decide on action to be taken.

Procedures:

The academy uses the FMS Finance System for invoices and payment.

- Debts under £150 may be written off by the Academy Head teacher/Principal;
- Debts over £150 may be written off only with the approval of the relevant committee of the local Governing Board body;
- Debts above the level as detailed in the funding agreement must be submitted to ESFA for approval to be written off.

See Appendices 1 – 3 for debt recovery letters

The current aged debtor report together with details of any debts written off (under £50) and solicitors letters sent, will be provided for each relevant committee of the Local Governing Board meeting.

Costs of Debt Recovery

Where the academy incurs material additional costs in recovering a debt then the Local Governing Board 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 academy in recovering the debt.

Dinner Money:

Payment for the academy meals and snacks should be paid in advance, and parents or carers are notified well in advance of the cost. Societas Trust Academies have a number of payment methods, according to each academy's preference. For further information on payment methods accepted, please speak to the school office. Parents/carers will be reminded either in person or in writing (by telephone, pupil mail or email) if payment is not received and will be advised that their child will no longer have an Academy meal and that parents should send their child with a packed lunch. Every effort will be made by the academy to make personal contact to ascertain whether financial difficulties are present and then advice accordingly. All reminders (copies of letters, record of verbal reminders) will be kept on file.

Outdoor Education:

All children in Year 6 (and occasionally children in Y5 and Y4) have the option to attend an outdoor education centre annually. Parents are notified of the cost in advance and are given the opportunity to pay in instalments should they wish. Payment must be made in full before the departure date. Payments are requested by the method chosen by each individual academy. Should parents choose to pay by cash or cheque, payments will be processed using the FMS finance system and a receipt issued; cheques should be made payable to Primary Academy.

Lettings:

Contracts for lettings of the academy premises will be drawn up as necessary between the academy and the applicant. Charges will reflect the academy's costs for energy, water, lighting and opening up and closing of the academy by the janitor. Please see the Academy's Lettings Policy.

Photographs

School Photographs are managed by an external partner. School photographs are a source of funding for the school from commission. Any profit is paid into the voluntary school fund. The school will not be liable for any debts associated with this service. (Check whether this section is relevant)

People Unable to Pay

The Trust may reduce or cancel a debt in certain circumstances. A sensitive approach to debt recovery will be followed, 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.

Implementation, Monitoring and Review:

Day to day implementation of the procedures is carried out by the Office Services Manager/Academy Business Manager and Head teacher. The Academy Business

Manager/Business and Facilities Manager will present a report to the Governors of any outstanding debts and explain the procedures followed to date.

Review of the Policy will take place every three years or sooner if necessary.

Reviewed: Autumn 2020
Next Review: Autumn Term 2023

The academy is committed to safeguarding and promoting the welfare of children and expects all staff and volunteers to share this commitment.

IN PROCESS

Appendices

Appendix 1 Example

IMPORTANT: This letter contains sensitive information and must be managed carefully.

<miscontactname/>

<consumeraddress/>

Dear <miscontactname/>

I am writing to remind you that according to our records, you have arrears on your child's ParentPay account.

Our records show that as of <date/>, your debt for <service/> is <balance/> for your child <consumerforename/> <consumersurname/>.

We would appreciate it if you could arrange for this to be paid immediately. You can make payment by logging into ParentPay.

Your username and password are:

User Name <loginname/> Password <password/>

You can check your account balance at any time by logging into your ParentPay account. You also have the option to use the Auto top-up feature for school meals which will automatically top up your child's lunch balance when it falls below a set value.

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

Headteacher

Example Appendix 2

Dear

Our records show that you have not paid money for ***school club /dinner /residential / breakfast/afterschool club**** despite our previous communication

As at ***Date*** your account is showing a balance of ***£Amount***

Please arrange for this money to be paid immediately.

No matter how you pay you can check the account balance anytime by logging into your ParentPay Account at www.parentpay.com

The cost of the school meal is **£2.30 per day £11.50per week**

Since non- payment for activities offered by the school affects the quality of service we offer to the children, we need to ensure that all payments are up to date; it is with regret that if the balance is not cleared within 7 days, or no dialogue has taken place with the school to resolve the issue, it will not be possible to provide your child with breakfast/after-school club/dinners. You will have to make your own arrangements for your child's lunch

If you have already paid the outstanding amount by the time you have received this reminder, please accept our apologies and report your payment details to our school office.

If you have any queries, please do not hesitate to contact the school office.

Example Appendix 3 Legal Proceedings Notification Letter

Dear

Our records show that you have still not paid **breakfast/after-school club/dinners* even though you have had two previous reminders.

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

Sending reminders and calling parents to chase payments takes up valuable time and resources. Parents who are experiencing difficulty with payment or who are eligible for Free School Meals for this academic year and have not already applied should contact the school office immediately.

Please arrange for this debt to be paid immediately or, if this is not possible, please contact the school office to arrange a payment plan otherwise the Trust will review the debt and begin legal proceedings to recover the debt as appropriate.

If you have already paid the outstanding amount by the time you have received this reminder, please disregard this letter and notify the school office with details of your payment alternatively if you have any other you have any queries regarding this debt, please contact the school office

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