

Templemoor Infant and Nursery School

Debt Management Policy



Policy Adopted	25 th April 2018
Committee	Extended Services
Last Reviewed	18 th October 2021
Next Review Date	18 th October 2024



Templemoor Infant and Nursery School Debt Management Policy

Introduction

Templemoor Infant and Nursery School has adopted a clear Debt Management Policy relating to its Extended Services (Breakfast, After School, Holiday Clubs and paid for Nursery provision including Nursery lunches and Nursery top ups).

The Extended Services is no different to any other business and has to be paid for. If debts are incurred, then the school budget has to pay for them. This means that money which should be spent on the children's education is used to pay for debts incurred. We request that all parents/carers and staff give this policy their full support.

It is very time consuming for the office staff to continually chase for money – by email, letter, phone call or in person. It is also highly embarrassing for all concerned and occasionally it can have a negative effect on our relationships with staff and families.

The Governing Board of Templemoor Infant and Nursery School believe that a 'zero-tolerance' approach is the fairest system. Going forward, we are sure that all parents/carers and staff will support the school and ensure all the school budget is spent for the benefit of all our pupils.

We will ensure that parents are aware of this policy by:

- Reminders in our newsletter
- The school website
- A copy of the policy in our induction pack when staff/children join the school
- X Club Documentation

Breakfast, After School and Holiday Clubs

As per the agreement and offer letter signed by the parent/carer, payment must be made at the time of booking and a credit balance maintained at all times. If the parent/carer uses childcare vouchers, a small level of debt is permitted (up to £100) as long as regular childcare voucher payments are received. Payment is required for all days booked even if the child does not attend, the exceptions being when school is closed (see below). Should the child no longer require a place the parent/carer is to email **xclub@templemoor.trafford.sch.uk** or text

the X Club mobile **07443 468842** at least one week in advance, otherwise the parent/carer is still liable for charges. Parents/ carers will not be able to book a session in the club if there is not enough credit in their account. For payments with childcare vouchers the child's place will be withdrawn if debt goes above £100.

School Closure

In the event that the entire Club is closed due to exceptional circumstances (for example, due to an issue with the schools facilities or due to Public Health Advice during the pandemic), refunds will be provided to those who had booked and paid for sessions during the period of school closure.

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.

Debt Recovery Procedures

First 'overdue payment' reminder

An initial reminder email will be sent requesting the account be credited with one week's full amount within 5 working days, warning that their child's club place will be cancelled in the event of non-payment (Appendix 1).

Second 'overdue payment' reminder

If full payment is not received within 5 working days a second overdue payment reminder letter will be sent to the parents/carers advising their child's club place HAS been cancelled. Payment or a repayment plan must be agreed with the school within 5 working days. A follow up phone call will be made to the parent/carer as they will need to make other arrangements (Appendix 2).

Third (FINAL) 'overdue payment' reminder

If no payment or response is made a letter will be sent to the parents/carers notifying of a Final reminder (Appendix 3). On receipt of the final reminder, immediate payment must be received otherwise the Council's Legal Team will be notified.

Staff Debt Recovery

Staff debt can accumulate when taking school meals or refreshments. A reminder email will be sent to the member of staff advising of the outstanding debt. If payment is not made within 5 working days a letter will then be sent, confidentially by hand, detailing that any further school meals/ refreshments will not be provided until the debt is paid in full. If a member of staff is leaving the school, a further letter will be delivered in person before the end of their employment, advising that any outstanding debt will be deducted from their final pay.

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.

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 applies 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. 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.

Costs of debt recovery

Where the school incurs material additional costs in recovering a debt then the Headteacher 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.

Acceptable 'credit period'

Lettings

All goods and services supplied by the School should be collected in advance or at least within 30 days upon receipt of an invoice.

Appendix 1- First Reminder

Parent or carer of (Pupil Name)

Date: XX/XX/XX

Dear xxx

Breakfast/After School/ Holiday Club Attendance Fees/ Nursery Fees for (Pupil Name)

According to our records you have not paid for your child's Nursery Fees/ attendance fees at Breakfast/ After School/ Holiday Club for (Month). As of today's date, your account is showing a debt of **£xx**.

Please make arrangements for the outstanding fees to be paid immediately. If you have any queries regarding these arrears or wish to discuss the matter further please do not hesitate to contact the school office.

Yours sincerely

Headteacher

Appendix 2 - *Second Reminder*

Parent or carer of Xxxxx Xxxxxxx

Dear xxx

Nursery Fees/ Breakfast/ After School/ Holiday Club Attendance Fees for (Pupil Name)

I am very concerned at the current level of debt outstanding on your Nursery/ Breakfast/ After School/ Holiday Club account. Despite previous correspondence the debt for xx is still outstanding. The School's records show that as at xx/xx/xx your account is £x in debt.

It is essential that all payments are up to date so that the quality of the service provided to all pupils is maintained. As I feel sure that you will appreciate the school operates on a limited budget therefore, to enable us to provide for the welfare of the children, strict financial control is essential.

Unfortunately we will no longer be able to offer the services of the Nursery Lunch session/ Top Ups/ Breakfast/ After School/ Holiday Club to your child until payment has been received. I would ask you to please make arrangements to clear this debt immediately and take steps to ensure your account is kept in credit in the future. Please contact us to discuss arrangements for a payment plan should this be necessary.

If you have any queries regarding these arrears, the method of payment, or require information regarding the procedure for payment, then please contact the school office immediately so that this matter can be resolved.

If you do not take steps to resolve the position without delay then the school will have no alternative but to begin legal proceedings to recover the outstanding debt together with all costs involved.

Yours sincerely

Headteacher

Appendix 3 - *Final Reminder*

Parent or carer of Xxxxx Xxxxxxx

Dear xxx

Debt Recovery

Despite previous correspondence the debt for xx is still outstanding. The School's records show that as at xx/xx/xx your account is £x in debt.

I would ask you to please make arrangements to clear this debt immediately. Please contact us to discuss arrangements for a payment plan should this be necessary.

If you do not respond to this letter within the next seven days and should this debt remain unpaid, information may be passed onto a collecting agent or the legal department to commence with legal action. You may have to pay additional costs if we take legal action.

Yours sincerely

Headteacher