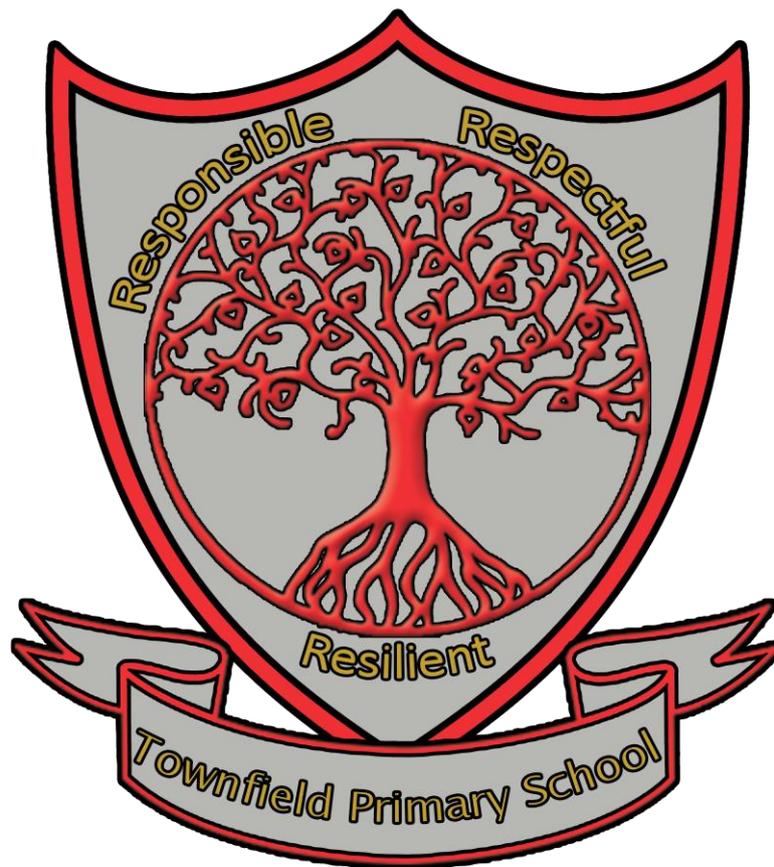


# Townfield Primary School

## Children with Health Needs who Cannot Attend School Policy



This policy was adopted by the Governing Body Spring 2021

This policy is due for review Spring 2022

# Townfield Primary School Debt Recovery Policy

## 1. Introduction

As part of its sound financial management procedures, Townfield Primary School (“The Trust”) will take all reasonable measures to collect debts. A debt will be written off only after all reasonable measures have been taken to recover it.

Trustees consider that appropriate recovery action will depend upon the level of and nature of the debt and those procedures will vary depending upon the income source – i.e.

- Pupil related – e.g. school meals, trips and activities and
- Commercial – e.g. supply of services (Extended school ie Breakfast and After School, Wraparound/Pre-School) and lettings.

A record of all actions taken in the recovery of debt must be maintained and provided to the Trust Finance Officer (Debt Recovery Record).

## 2 Pupil related income

### 2.1 Collection of income

All income is collected in advance, wherever possible. Costs of trips and activities will be notified to parents/carers as soon as possible.

### 2.2 Debt Recovery Procedure

- Stage 1 >£20 texts, telephone, personal contact with parent
- Stage 2 formal letter
- Stage 3 formal stage of debt recovery will be commenced:
  - a) First debt letter
  - b) Second debt letter
  - C) Final demand
  - d) Letter of proceedings
  - e) Claim processed with the small claims court

It is hoped by this point that the debtor will repay the outstanding balance, if this is not the case then the school may well choose to log a county court judgement against the debtor.

### 2.3 Debt Write-Off

The Head of School/Headteacher has discretion to write-off debts up to the value of £50. A record must be maintained to show the reason for the write-off, the action taken to recover the debt and the authorising signature.

Records must be provided to the Trust Finance Officer who will report all debt write-offs to the Finance & Risk Committee

The Finance & Risk Committee must grant approval for the write-off of all debts above £50.

### **3 Commercial income**

#### 3.1 Invoicing and payment periods

Income will be collected in advance of services provided wherever possible.

Invoices will be raised and payment is requested in full prior to the first date of the letting. Payments are to be made via the school's Tucasi and School Spider system following the submission of an annual signed agreement and a booking application form.

#### 3.2 Debt Recovery Procedures (Lettings, Consultancy)

- Stage 1 (4 weeks from date of invoice) Informal reminder letter
- Stage 2 (8 weeks from date of invoice) Formal reminder letter
- Stage 3 (12 weeks from date of invoice) Final reminder letter

#### 3.3 Debt Recover Procedures

(Extended school i.e. Breakfast and After School, Wraparound/Pre-School Charges are applied monthly and are paid for in advance)

- Stage 1 (3 working days after period starts) texts, personal contact reminders
- Stage 2 (1 week after period starts) If payment not received care suspended formal letter (sent recorded delivery) giving notice that a CCJ may be lodged against them.
- Stage 3 Refer to Solicitor (Debt Collection) dependant on circumstances and amount

#### 3.4 Failure to settle a debt

Any debt unpaid after the final reminder letter has been issued will be referred to The Trust Finance Officer.

A letter will be sent to the debtor by recorded delivery and will threaten legal action if the account is not settled within 14 days. Any additional recovery costs incurred by the Trust will also be pursued. Legal advice may be sought from the Trust's solicitors through the Trust Finance Officer and where appropriate a Legal letter will be issued indicating recovery action will be initiated through the county court. The Head teacher will make a recommendation as to the suitability of this course of action taking into consideration the value of the debt and the proposed legal fees.

This decision and its basis will be recorded and reported to the Finance & Risk Committee.

#### 3.5 Negotiation of repayment terms

Debtors are expected to settle the amount owed by a single payment, however, if debtors are unable to pay for reasons of hardship, the Trust will take a sensitive approach to debt recovery and may agree an extended repayment period.

The Trust Finance Officer will approve all such agreements entered into and a record of the decision made 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. Where a legal letter has been issued the repayment arrangements will be agreed between the party concerned, the Trust Finance Officer and the solicitors. This decision and its basis will be recorded and reported to the Finance & Risk Committee.

### 3.6 Reporting of outstanding debt levels

The Trust Finance Officer will ensure that the level of outstanding debt is regularly monitored.

The Finance & Risk Committee will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective.

### 3.7 Debt Write Off

If after all reasonable effort to collect the debt has been made and legal action is unsuccessful or impractical the debts may be referred to Finance & Risk Committee for write-off.

### 3.8 Write-off Limits.

The Trust must seek permission from the Secretary of State to write-off individual debts with a value in excess of £45,000, or cumulatively 2.5% of income in any one financial year. (Financial Handbook 2020 p40)

**Policy/Plan administration**

<b>Version number</b>	1.1
<b>Details of any amendment(s)</b>	
<b>Date of issue</b>	Spring 2021
<b>Electronic copies of this plan are available from</b>	The school website
<b>Hard copies of this plan are available from</b>	The school office
<b>Date of next review</b>	Spring 2022
<b>Person responsible for review</b>	Updated by SBM & Headteacher