



Woodcroft Primary School

Debt Recovery Policy

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Co-ordinator responsible for the policy in consultation with the staff and governors:

Admin Manager

Reviewed: June 2023

Next Review Date: June 2026

General requirements

Woodcroft Primary school is committed to ensuring that all reasonable measures are taken to vigorously collect debts as part of its management of public funds. The School is committed to ensuring that monies due is collected efficiently, effectively and consistently.

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 Financial Handbook for Schools and any other legal requirements. In particular:

- The Headteacher will not write-off any debt belonging to the school which exceeds £200.
- The Governing Body will not write-off any debt belonging to the school which exceeds £1000.
- Any sums above this will be referred to the Director of Children Schools and Families for approval and the formal agreement of the County Council's Finance Director obtained before writing-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).
- A formal record of any debts written off will be maintained and this will be retained for 7 years.
- The School will not initiate any legal action to recover debts, but will refer any debts over £100 which it has not been able to collect, including any invoices and letters that have been sent (unless a decision to write-off the debt is demonstrably a reasonable course of action) to Hampshire County Council Credit Control Team to recover the debt.

School staff are expected to adhere to the following procedures to secure the collection of all debts:

All invoices are raised within the HCC SAP system. This policy covers all external customers as well as internal HCC customers and other schools within HCC. All payments due for goods and services provided for pupils are raised through Tucasi.

Credit, collecting income and payment terms are addressed using the Corporate Credit Policy, and payment terms are 30 days unless stated otherwise.

School dinners and educational trips should be encouraged to be paid for in advance.

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 should state the date by which payment is due. In all other cases, correspondence with parents, etc. should indicate the maximum period that the school regards as reasonable before payment is overdue, e.g. contributions for a school trip should be received by, payment for items purchased should be sent to the school office by, etc.

The Headteacher should determine what the reasonable 'credit period' is if this is not otherwise specified, e.g. the governors may stipulate the maximum settlement period for school lettings.

Procedures for the collection of debt
(see also Appendix 1 regarding dinner money debts)

Initial reminders

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

First reminder letter (appendix 2)

A formal reminder letter should be issued after two weeks from any informal reminder/date of supply. If action is to proceed further, it is necessary to prove that all reasonable attempts have been made to recover the debt, and that these attempts have been made in a timely manner, i.e. at the time that the debt first became overdue.

Second reminder letter (appendix 3)

A second reminder letter will be issued two weeks after the first reminder letter.

Using reminder letters

Should a debt need to be taken beyond two reminder letters, formal written evidence is required. It is therefore important that at least one, but preferably two, written reminders are sent. Details of all reminders, whether verbal or in writing, should be maintained. Where a letter is issued, a copy must be retained on file.

Phone call to Parent/Carer

If the debt is still outstanding after 14 days, the Home School Link Worker will phone the parent/carers to discuss the outstanding amount. Notes will be taken and will be filed with the previous letters, debt statement for 7 years.

Face to face meeting

If, at the point of two reminder letters being issued, the debt is still not repaid, or the repayment schedule (if set up and agreed) has been broken, the Headteacher must set up a face to face meeting in school to discuss the debt. Minutes from this meeting must be kept on file for 7 years.

Failure to respond to reminders/settle a debt

If no response is received from the reminders issued, and the debt is over £100, a letter will be sent to the debtor advising them that the matter will be referred to the Hampshire County Council's Legal Department.

At the discretion of the Headteacher, the debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to them. This decision and its basis will be recorded.

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/Governing Body. 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. The Governing Body will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will be required to pay in advance in future.

Costs of debt recovery

Where the school incurs material additional costs in recovering a debt then the Governing Body will decide whether to seek to recover such costs from the debtor. This decision and its basis will be recorded. The debtor will be formally advised that they will be required to pay the additional costs incurred by the school in recovering the debt.

Reporting of outstanding debt levels

The Admin Manager will ensure that the level of outstanding debt is known/can be determined at any time. The Headteacher will review the level of outstanding debts at least once per term to determine whether this level is acceptable and whether action to recover debts is effective, and report these findings to the Governing Body.

Bad debts

The Headteacher is authorised to write-off debts up to £200. Debts between £200 and £1000 may only be written-off with the written approval of the Governing Body. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

Any debt belonging to the County Council will be referred to the appropriate officer for consideration/action without delay once the school has taken reasonable measures to collect the debt (i.e. has followed the reminder notification procedures set out above).

Dinner Money Outstanding Debt Recovery Procedure

Step 1

Every Friday, automated text message from Tucasi sent to all parents, carers and staff with a debt of over the cost of 5 dinners (1 week).



Step 2

(Outstanding debt that is still owed after 14 days of step 1)
Letter sent to the parent, carer or member of staff informing them of the current account debt that is still outstanding (appendix 2)



Step 3

(outstanding debt that is still owed after 14 days of step 2)
Second letter issued to the parent, carer or member of staff stating the current balance and if any payments have been received. (appendix 3)



Step 4

If after 14 days of the second letter being issued the debt is still outstanding, the HSLW will phone the parent or carer/Admin Manager will speak to the staff member and notes will be taken to minute what was discussed. (appendix 4)



Step 5

If following all the above steps, the debt is still not cleared, the Headteacher will arrange a meeting with the parent/carers or staff member and minutes will be taken.
If the debt is under £100 the debt is taken to the FGB and advice is sought
If the debt is over £100 it is referred to Hampshire County Council Legal Services

Woodcroft Primary School



Head Teacher: Mr Barry Fanning

Woodcroft Lane, Lovedean, Waterlooville, Hampshire, PO8 9QG.

Tel: 023 92593939 Fax: 023 92595563

Email: admin@woodcroft.hants.sch.uk

Website: www.woodcroftprimary.co.uk

DATE

Dear PARENT/CARER/STAFF MEMBER

Child's Name: FULL NAME

Debt Amount: £ XXXX

I am writing to advise you that according to our records, NAME has an outstanding dinner money of £XXX. In order for NAME to continue to receive school dinners, it is important to keep your account in credit at all times. School dinner must be paid for in advance (preferably at least weekly).

I would appreciate it if this debt could be cleared within 7 days. I understand that it may be difficult to pay all in one go; if this is the case please come to the office to discuss setting up a payment plan until the debt is cleared.

I hope this is an acceptable way to clear this outstanding debt, please feel free to come and speak to me if you think you will have difficulties.

Yours sincerely

Mrs K Stewart
Admin Manager

Woodcroft Primary School



Head Teacher: Mr Barry Fanning

Woodcroft Lane, Lovedean, Waterlooville, Hampshire, PO8 9QG.

Tel: 023 92593939 Fax: 023 92595563

Email: admin@woodcroft.hants.sch.uk

Website: www.woodcroftprimary.co.uk

DATE

Dear PARENT/CARER/STAFF MEMBER

Child's Name: FULL NAME

Debt Amount: £ XXXX

I previously wrote to you on DATE advising you that NAME had an outstanding dinner amount of £XXX.

Although you have cleared some of the debt, to which is appreciated, unfortunately there is still an outstanding balance of £XXX.

OR

Unfortunately we have not received any payments towards clearing this debt, therefore the balance still remains at £XXX.

OR

Unfortunately we have not received any payments towards clearing this debt and due to NAME still ordering school dinners this debt increased to £XXX.

I would appreciate it if this debt could be cleared within 7 days. I understand that it may be difficult to pay this balance off in one go. If this is the case, then please come to the office to discuss setting up a payment plan until this debt is cleared.

I hope this is an acceptable way to clear this outstanding debt, please feel free to come and speak to me if you think you will have difficulties.

Yours sincerely

Mrs K Stewart
Admin Manager

Notes from HSLW / Admin Manager / Headteacher Meeting

Name of Child/Staff:	Date of Meeting:
Person Carrying out Meeting:	Debt Amount: £
Previous Correspondence carried out Letter 1: Letter 2: Phone calls/informal meeting:	Date
Summary of today's meeting:	Action:
Signed:	Position: