



Westfield Primary Community School

Policy on Debt Management

Approved By:	Resources
Date:	April 2024
Review Date:	April 2027

Vision for Westfield

Together we strive to:

Inspire a love for our community through mutual respect, teamwork and the shared belief that anything is possible

Create a learning culture which recognises potential, celebrates achievement and respects individuality

Nurture strong relationships in a safe and secure environment, where opinions are valued and kindness is the core

1 Context

The aim of this Policy is to maximise the receipt of income due to Westfield Primary Community School and uphold transparent and consistent practices in the way income is collected. It should be read in conjunction with the School's Charging and Remissions Policy and the Local Authority's Corporate Debt Policy and Financial Regulations accessible through York Education / Finance / statutory finance.

Westfield Primary Community School is committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, and has established policies and procedures to ensure that no child is discriminated against by our offering of school trips, activities and educational extras.

2 Payment Terms

To avoid incurring debts and recovery costs, all payments for goods and services provided by Westfield Primary Community School will be collected in advance or at the point of sale.

A signed booking form must be received with payment in full to secure any booking. All bookings must be paid for in advance of the service or use of facilities. A receipt will be issued for payments stating the method of payment (ie by cash, cheque, or for payment direct into the school bank account)

Any mid-term, additional or 'one off' bookings must be paid for at the time of the request. An initial enquiry should be made prior to submitting a booking form with payment. A receipt will be issued for payment stating the method of payment (ie by cash, cheque, and for payment direct into the school bank account)

The school will issue a booking form setting out the regular pre-booked places/sessions and price in advance. A signed booking form must be received following which an invoice will be raised. The normal terms will be payment in full within 30 days of the date of the invoice. A receipt will be issued for payments stating the method of payment (ie by cash, cheque, and for payment direct into the school bank account). For pre-booked places / sessions payment should be received in full prior to the commencement of service or use of facilities.

Refunds will not be made for any pre-booked places/sessions not taken if less than 5 school days' notice of cancelation is given in writing, addressed to School Business Manager.

3 Records and Reporting

All records will be kept according to the advice and procedures set out in the Local Authority's Income Collection Policy and Financial Regulations. At a minimum we will:

- Up-hold the separation of duties to safeguard public funds and protect the interests of the school, employees, parents and customers
- Maintain a Lettings Register and Sales log and retain records for 6 years.
- Raise Debtor Invoices for large amounts and set in place arrangements to receive these payments electronically.
- Always count cash received in front of the customer / parent and always issue receipts immediately.
- Respect the privacy of the debtor (Parents, Pupils & Customers) and keep records in accordance with the schools Privacy Notice and Information Policy. Information relating to debts will be kept confidential by employees and school governors at all times.
- Prepare an aged debt report for consideration by the School Business Manager every half term a least once every school term.
- Judge each instance of debt over 30 days on an individual basis taking into consideration the nature of the debt and circumstances of the family / customer involved prior to agreeing the recovery route.
- Seek guidance from the Governors where there are outstanding un-paid debts or if new debts should be allowed to accrue, for what purpose and value or cap to apply. A record of the decision will be minuted.

4 Recovery Procedure

All recovery action will take account of any relevant legislation and guidance, whilst ensuring the school operate within this recovery framework and ethos. We will be sensitive to family circumstances, for example by sign posting to the free school meals process.

Unpaid invoices/ParentPay debts will be subject to the following recovery procedure:

- 1) After 10 days an email/text reminder will be sent.
- 2) After 15 days a verbal reminder will be issued to the debtor by the office team.
- 3) after a total of 20 days a letter (see Annex 1) signed by the School Business Manager requesting immediate payment will be issued to the debtor,
- 4) after a total of 45 days a letter (see Annex 2) signed by the Headteacher requesting immediate payment will be issued to the debtor. A statement must be enclosed with the Letter.
- 5) The Debtor has 30 days to reply to the letter .
- 6) after a combined total of 75 days the whole debt owed by a debtor will be referred to the Governors at the earliest opportunity who, on the advice of the School Business Manager and Headteacher, will decide whether to -
 - I. pursue payment via the County Court Money Claims Centre
 - or
 - II. discontinue recovery and write the debt off.
 - or

III. Consider the use of a mediation to resolve any dispute

At any stage prior to pursuing payment via the County Court Money Claims Centre the School Business Manager, in consultation with the Headteacher, may agree a repayment plan by instalments. Any proposed repayment plan that involves a term greater than **six** months will be referred to the Governing Body for approval.

If the debt is pursued through the County Court Money Claims Centre, interest and administration costs incurred may be recovered in addition to the debt. (Details of these amounts will be clearly set out in the Letter of Claim).

When deciding what action to take the Governing body will take into consideration

1. any information provided in the Reply Form attached to the information sheet as part of the Pre-Action protocol
2. The size of the debt and likelihood of recovery
3. continuing access to school resources if relevant
4. options to settle the debt through Alternate Dispute Resolution (ADR) ie through a registered mediation provider.

5 Writing off an Unpaid Debts

If Governors have agreed not to pursue payment via the County Court or through mediation, or where these have proved unsuccessful, the debt must be written off. Authorisation to write off debts is subject to the following limits:

Under £500	Headteacher
£501 to £4,999	Governing Body
Over £5,000	CYC Chief Finance Officer

Should it be necessary to refer a debt to the CYC Chief Finance Officer (S151 officer) a report should be prepared that outlines the reason for the proposed write off and the actions already taken to try to recover the debt. In the first instance, this should be sent for the attention of the ACE Finance Manager, by email to schools.business@york.gov.uk.

6 Complaints

All complaints will be dealt with promptly through the school's complaint procedure.

7. Review

The HT & SBM will review this policy annually to ensure it is relevant, complies with LA Finance Regulations, legislation and supports best practice.

Annex 1 – first reminder letter

Insert date

Insert name and full postal address, must include post code

Dear insert name

Re: outstanding balance of [insert amount] and invoice number/s[insert numbers]

Recently we reminded you that the above amount is owing to the school for [insert details e.g. name of child and activity or details of lettings booking]. According to our records, we have not yet received payment nor have you queried the charge. For your reference, we enclose a statement of account. Please, therefore, make payment of the full amount to arrive with us no later than [insert day and date].

Payment may be made by either:

- taking cash to the School Office,
- Using [insert name of your school cash collection system ie parent pay, delete if not appropriate]
- sending a cheque payable to [insert School name] School to the School Office,
- making a payment direct into our bank account (please ask for details at the School office).

Should you have any queries about this letter, please do not hesitate to contact myself or the School Office.

Yours sincerely,

For and on behalf of the Governors of [insert name] School

[Insert name]

[Insert Job Title e.g. Bursar or School Business Manager]

Annex 2 – second letter. It is recommended that this is a Letter of Claim

Insert date

Insert name and full postal address, must include post code

Dear insert name

Re: outstanding balance of [insert amount] and invoice number/s[insert numbers]

In our letter dated [insert date] we reminded you that the above amount is owing to the School for [insert details eg places/sessions]. We do not have any record of you contacting us to query the invoice amount. For reference, we enclose a Statement of Account. Please, therefore, make payment of the full amount to arrive with us no later than [insert day and date]

Payment may be made by either:

- taking cash to the School Office,
- Using [insert name of your school cash collection system ie parent pay, delete if not appropriate]
- sending a cheque payable to [insert School name] School to the School Office,
- making a payment direct into our Bank account (please ask for details at the School office).

[insert We include with this letter an Information Sheet which provides details of where you can receive advice and support, together with a Reply form for you to complete]

If we do not receive your full payment [insert date which is 31 days from the date of this letter] we will pursue payment through the County Court Money Claims Centre. [Therefore if you have difficulty paying, it is essential you complete the Reply form and return it to us by [insert date which is 31 days from the date of this letter]].

Should you have any queries about this letter, [or require support completing the Reply Form] please do not hesitate to contact myself or the School Office.

Yours sincerely,

For and on behalf of the Governors of [insert name] School

[Insert name of Head Teacher]

Headteacher