



# Carr Infant School

Confidence - Communication - Creativity

## Debt Management Policy

<b>Approved by</b>	Resources Committee
<b>Previously Approved</b>	November 2023
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## Context

The aim of this Policy is to maximise the receipt of income due to Carr Infant 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.

Carr Infant 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.

## 1 Payment Terms

To avoid incurring debts and recovery costs, where possible all payments for goods and services provided by Carr Infant 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 (i.e. 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 (i.e. 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 half termly or termly in advance. Wrap Around Care operates differently and has a separate payment policy.

Refunds will not be made for any pre-booked places/sessions not taken if less than 5 school days' notice of cancellation is given in writing.

## 2 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. As 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.
- Respect the privacy of the debtor (Parents, Pupils & Customers) and keep records in accordance with the schools Privacy Notice and Data Protection Policy. Information relating to debts will be kept confidential by employees and school governors at all times.
- 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.

### 3 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 will be subject to the following recovery procedure:

- 1) After 15 days a verbal reminder will be issued to the debtor by the Office Manager.
- 2) After a total of 30 days a letter (see Annex 1) signed by the Office Manager requesting immediate payment will be issued to the debtor,
- 3) After a total of 45 days a Letter (see Annex 2) signed by the Head Teacher requesting immediate payment will be issued to the debtor. A statement, must be enclosed with the Letter.
- 4) The Debtor has 30 days to reply to the Letter.
- 5) 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 Office Manager and Head Teacher, will decide whether to:
  - a. pursue payment via the County Court Money Claims Centre
  - b. discontinue recovery and write the debt off.
  - c. 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 Office Manager in consultation with the Head Teacher may agree a repayment plan by instalments. Any proposed repayment plan that involves a term greater than 12 months will be referred to the Governing Body for approval.

### 5 Writing off an Un-paid Debts

If Governors have agreed not to pursue payment the debt must be written off. Authorisation to write off debts is subject to the following limits:

Under £500	Head Teacher
£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 (\$151 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](mailto:schools.business@york.gov.uk).

### 6 Complaints

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

### 7 Review

We will review this policy every 3 years and from time to time 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 i.e. parent pay, delete if not appropriate]
- sending a cheque payable to [insert School name] School to the School Office,
- using Childcare Vouchers, [delete if not appropriate]
- 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]

*Note - these letters can be sent by post or by email, using the Parents, Customers, or Business's preferred contact. If sent by post it must be sent on the date provided on the letter, or no more than 1 day after.*

**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 e.g. 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 and a copy of the signed booking form. 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 i.e. parent pay, delete if not appropriate]
- sending a cheque payable to [insert School name] School to the School Office,
- using Childcare Vouchers, *[delete if not appropriate]*
- 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]

Head Teacher