

ST MARY'S CATHOLIC PRIMARY SCHOOL, STUDLEY



Debt Management Policy

Headteacher

O. Finnegan

Chair of Governors

S. Coyne



St. Mary's Catholic Primary School, Studley

Debt Management Policy

As from 1st January 2015, the Governors of St. Mary's Catholic Primary School have adopted a 'no debt' policy in respect of all services provided by the school. This Debt Management policy for parents and carers forms part of our strategy to make sure this is achieved. The school will take all reasonable measures to vigorously collect debts as part of its management of public funds. Voluntary contributions for activities are out of scope of this policy. For the purposes of this policy the term 'parent or parents' will be used to represent any parent, guardian or carer.

Background

Where debts are allowed to build up, it often becomes harder for the person owing the money to pay. If a debt is not repaid then money which should be utilised to pay for children's education is used to subsidise these debts, which is an unacceptable use of public funds. We therefore hope that parents will understand why we are adopting this policy to avoid incidence of debts, and will give it their support in order to protect the education provided to all children in the school.

Therefore, in adopting this policy we aim to:

- reduce the risk of parents incurring large debts that they will struggle to pay off.
- ensure that the entire school budget is used to provide educational services to all of our children.

Services which parents are required to pay for

The services provided to pupils which parents are required to pay for include:

- School Meals (unless pupil is eligible for either Free School Meals or Universal Infant Free School Meals)
- Music tuition
- Chargeable Activities, e.g Residential school trips where board and lodging costs are chargeable to parents (unless pupils is eligible for Free School Meals)

Timing of payments

Parents are required to pay for all services provided by the school in advance by making a payment to their child's account on the School Money payment system. However, the school may grant a debt allowance of one week. In 'exceptional' circumstances the Headteacher should determine a reasonable credit period where a parent has contacted the school due to difficulties with making payment.

On the School Money system, separate payment items are listed for every child, e.g. School Meals, Music Tuition and Individual School Trips. Parents can choose how frequently they make payments to the School Money accounts; this could be termly, monthly or weekly. However, it would be advantageous to parents to make larger, less frequent payments to reduce transaction charges.

Debt Management process

Step 1 – Initial Reminder – This may be informal and made either in person (when a parent comes to collect/drop off the child(ren)) or by telephone/text message/email.

Step 2 – First Reminder Letter – A formal reminder letter should be issued approximately 2 weeks after any informal reminder. *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.*

Step 3 – Second Reminder Letter – A second reminder letter will be issued approximately 2 weeks after the first reminder letter.

Using Reminder Letters

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

Failure to respond to reminders / settle a debt

If no response or payment is received from the reminders issued, a letter will be sent to the parent advising them that the matter will be referred to the Warwickshire County Council Legal Department.

Where payment has not been made for a service, in particular school meals, the school can withdraw the service provided to the pupil(s) concerned. **This means that the parent will be requested to provide a packed lunch.**

Negotiation of repayment terms

If a parent genuinely forgets to make a payment in advance of the service being provided, the school may grant a debt allowance of one week. Parents are expected to settle the amount owed by a single payment as soon as possible after receiving the initial reminder, and all future services must be paid for in advance.

However any family experiencing genuine financial hardship is encouraged to come and discuss this with the Head Teacher/School Business Manager before accessing chargeable school services. The Local Authority may also be able to provide support for families experiencing hardship.

In the exceptional instance that pupils have continued to access services and a debt has been incurred, any reasonable request for permission to pay in instalments will be considered by the Headteacher. However, in the absence of either payment or an agreed payment plan within this period, the school will have no choice but to proceed with formal debt recovery which may include legal action.

Applying for Remissions

If a parent believes that their children may qualify for Remissions to certain charges they are welcome to contact the school office in confidence for more details. As for Free School Meals, Remissions cannot be backdated, so it is important you talk to the school as soon as you are aware of any such need. More information about applying for Free School Meal Eligibility is available from our website.

Reporting of Outstanding Debt Levels

The School Business Manager will ensure that the level of outstanding debt is known or can be determined at any time.

The Headteacher will be informed of the level of outstanding debts on a monthly basis to determine whether this level is acceptable and whether further action is required, and may report their findings to the Governing Body Finance Committee.

Policy Review

This policy will next be reviewed in February 2020.