

*"Learning Today, Leading Tomorrow"*



**Bishops Down Primary School**

[www.bishopsdownprimary.org](http://www.bishopsdownprimary.org)

# Debt Recovery Policy

Date Agreed: February 2018

Date for Review: February 2021

Reviewed and updated by: Resources Committee

## ***“Learning Today, Leading Tomorrow”***

When money is requested from parents or other suppliers it will be made clear the maximum period that the school regards as reasonable before payment is overdue. The Head teacher 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 in a separate Lettings Policy.

### **Parental Debt**

When the debt relates to parental payments, this should be based on the total debt for a specific child. The amount of debt will not include items which are deemed as being a ‘voluntary’ contribution. The debt accrued in this instance will be based on the amount being 30 days old before formal letters are sent.

### **Staff Debt**

Payment for staff lunches should be made in advance as for pupil meals, using the Nourish online cashless payment system. A debt of more than a week’s worth of lunches will trigger a reminder.

### **Initial reminders**

Initial reminders may be informal and made either in person or by telephone. Normally, the bursar will undertake this having built up a good relationship with the parents. A record of this will be kept.

### **First reminder letter**

A formal reminder letter should be issued after 2 weeks from any informal reminder / the date of supply and a copy retained on file.

### **Second reminder letter**

A second reminder letter will be issued in 2 weeks after the First Reminder Letter and a copy retained on file.

### **Failure to respond to reminders / settle a debt**

If no response is received from the reminders issued, a letter will be sent to the debtor advising them that the matter will be referred to the Governing Body who will review individual cases of overdue payments at the Resources Committee Meeting. Further legal action may be taken as appropriate. At the discretion of the Governing Body and Head teacher, 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 Finance Officer / Head teacher / Resources Committee. 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.

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The Head teacher / Resources Committee / 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 or Head teacher 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 Head teacher will ensure that the level of outstanding debt is known / can be determined at any time. The Head teacher / Resources Committee / Governing Body will review the level of outstanding debts three times a year to determine whether this level is acceptable and whether action to recover debts is effective.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
Headteacher

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_  
Governor