



Hadley Wood Primary School Debt Recovery Policy

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Name of the person responsible for this policy	Fran Worby
Issued to	Staff, governors and parents
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Debt Recovery Policy

Overview

The staff and Governing Body at Hadley Wood recognise that the physical and emotional wellbeing of the children in their care is of paramount importance. The School, however, has a legal and moral obligation to apply the resources it receives fairly, to support and for the benefit of all pupils, and is not in a position to subsidise, on a regular basis any one child or group of children.

The School has therefore adopted a Debt Recovery Policy aimed at supporting parents, carers and families in avoiding accumulation of debts in relation to services within its schools such as school dinners, school trips and residential and after school activity clubs.

Parents/carers are expected to pay in advance for services provided by the school and this can be paid using the online payment system: PARENTPAY. All debts owed to a school including those due from parents/carers have an impact on the school budget as the school has to meet the actual costs incurred. This means that any money owed to the school diminishes the resources that can be provided to all children. We hope that parents/carers understand this and that they will make every effort to avoid owing the school money.

Debt Recovery

The Governing Body of Hadley Wood will take all reasonable measures to vigorously collect debt as part of its management of public funds. The School's debt recovery policy will observe the relevant financial regulations and any other legal requirements.

Acceptable credit period

The Full Governing Body has determined that one half term is an acceptable 'credit settlement period' before the debt recovery procedures are applied.

Debt Recovery Procedures

Where payment from the parent/guardian has not been received in advance, or 'at the point of sale', the following process should be applied:

Initial 'overdue payment' reminder

- An initial reminder may be informal and can be made either in person (when a parent/guardian comes to collect/drop off the child), or by telephone. The date of the initial reminder should be recorded.
- In the case of school meals, a reminder of any monies outstanding is emailed to parents on a Friday.

First 'overdue payment' reminder letter

- A formal reminder letter is issued 2 weeks after the 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.
- The date of the initial reminder letter should be recorded.
- In the case of school meals, if the debt is not settled on the following school day then we will be unable to provide your child with a school dinner and you must provide a packed lunch or take your child home for dinner. If a child comes to school without clearing the debt and requires a hot meal, then the School Office will telephone the parents to make alternative arrangements for lunchtime. If the parent

does not do this, then the school may refer the family to Social Services under our child protection procedures.

Second 'overdue payment' reminder letter

- A second reminder letter will be issued 2 weeks after the First Reminder Letter.
- The date of the second reminder letter should be recorded.

Failure to respond to reminders / settle a debt

- If there is no response to the second 'overdue payment' reminder letter the debtor will be invited to meet with the Headteacher to discuss how the debt will be settled. Failure to respond to this letter and/or failure to attend this meeting will result in the school passing the debt to an external debt collection agency.
- The School and Governing Body will make every effort to work with parents to prevent debts mounting. At the discretion of The Finance Officer an official invoice may be issued for the full amount.
- The debtor may be advised that they will be required to pay in advance for all future trips and/or services or this will no longer be available to them.
- This decision and its basis will be recorded and reported to the Resources Committee and/or Governing Body.
- If a mutual agreement cannot be reached or if any agreed repayment is missed, then the debt will be transferred directly to an external debt collector.

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 payment' reminder. Failure to meet any repayment terms will result in the debt being passed to an external debt collection agency.

If people are unable to pay

The School may reduce or cancel a debt in certain circumstances. A sensitive approach to debt recovery will be carried out, taking the following factors into account.

Hardship	- where paying the debt would cause financial hardship
Ill health	- where our recovery action might cause further ill health
Time	- where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
Cost	- where the value of the debt is less than the cost of recovering it.
Multiple debts	- where someone owes more than one debt to the School. In this situation an attempt to agree one repayment plan to include all debts will be established.

Roles and responsibilities

The Office Manager and Finance Officer are required to ensure that:

- all invoices outstanding are accurately recorded and maintained.
- there is documentary evidence of all the steps undertaken by the school to recover the debt. This includes recording the dates that invoices and statements were distributed, and/or conversations in person, phone calls and letters that have been sent to debtors.

- for all outstanding debts, a final statement (stamped final notice) is issued to all persons liable for the charge. This statement must state "further action will be taken if this account remains outstanding after a period of no less than 10 days."
- where monies are collected through parent pay, eg school dinners or breakfast club, the parent will be contacted as soon as their account runs out of funds.

Expiry of free school meals entitlement

- Upon expiring of the free school meals entitlement, the parents are responsible for the cost of school meals until such time as free school meals entitlement is renewed. This entitlement cannot be back dated. After expiring the procedures set out in the debt recovery policy will apply.