

# Stroud Green Primary School



*Believe and achieve*

Stroud Green Primary School, part of a richly diverse community, is a place where all children flourish in a safe, happy and stimulating environment.

## Payment and Debt Management Policy

Reviewed at Resources Committee: 2015

Date of next review: [insert term and year Autumn 2017

## Rationale

Stroud Green Primary Payment and Debt Policy has been formulated to enable the school and Governing Body to ensure that Stroud Green;

- receives all the income to which it is entitled,
- reduces risk of being financially disadvantaged by users incurring debt,
- safeguards its funds so that they are used to the fullest advantage for children and families.

## Aims/Procedures

This policy is a statement of aims and procedures for dealing with payments for services offered, preventing non-payment of fees and to set out process of recovering any debts owed to the school in a timely and efficient manner.

## Payments

- Ensure that all fees for services are paid for in advance.
- Provide parents with contracts/agreements that clearly state terms/conditions/payment expectations for services offered.
- Make policy/statement widely available to parents/carers at every opportunity..
- Provide a variety of payment methods to support parents/carers.
- System of recording payments that highlights any non-payment at the earliest point.

## Debts

- Commitment to zero tolerance for debt throughout all services.
- Debt Repayment is maximised and potential bad debt is minimised in all areas.
- Regular monitoring of payment system to identify any debt incurred.
- Parent/carers consistently informed at earliest point of fee payment arrears.
- Clearly identified process and arrangements for recovery of debt in place.

## Non payment of fees

Stroud Green School and Governing Body will maintain a policy that encourages prompt payment of any outstanding monies owed to it. The school will pursue debts whenever possible. In the first instance, it will seek to recover owed money through direct contact with the parent, by phone and by letter. A record of these attempts, their date, time, monies owed and response will be kept in a debt control file to document steps undertaken. A list of those in debt will be maintained and if a debt is not paid within a reasonable /given time frame the school finance/admin/senior management will instigate recovery procedures.

## Timescales and Actions

All communications will include the opportunity to talk to a member of Senior Management if individuals are experiencing financial difficulty.

### First reminder letter

If a parent/carer fails to pay and this continues for a 1 week period. The school will continue to ask parent for payment during this period where possible. After 1 week, the school will send a second reminder letter.

### Second reminder letter

A second letter is sent to the parent/carer requesting that payment be made forthwith and within 7 days. The letter will state that failure to comply with this request will lead to further action stated below.

### Further action

1. Immediate termination of service offered.
2. If full payment is not received within 28 days school and governing body may be forced to take legal action.

### Repayment

Those in debt are expected to settle the amount owed by a single payment as soon as possible after receiving the first overdue payment reminder. However, should this not be possible then at the discretion of the Head teacher/Senior team, parents/carers may be asked to agree to a repayment plan.

Under this policy each case involving taking further action will be judged on the family's individual circumstances. The action to be taken will be at the discretion of the Headteacher with the full support of the Governing Body. The person in debt will be given every opportunity to repay the debt prior to any legal action being taken for its recovery. The identity of a family involved is only disclosed on a need to know basis.

### Waiving of debt

A debt may be written off or waived by resolution of the Resources committee on the recommendation of the Headteacher, when all reasonable avenues to recover the debt have been exhausted, and where it is not cost effective to pursue the debt through legal action.

The Governing Body will not write-off any debt belonging to the school which exceeds £500. Any sums above this will be referred to the Head of Finance for the Children and Young People's Service for submission to the Director of Finance for approval.

### Monitoring

The Governing Body and the school have responsibility to;

- monitor the arrangements for payment and debt recovery.

- include in the minutes of its Resources Committee meeting a record of its decision to waive or to pursue any outstanding debt through legal action..
- ensure that the identity of a family involved is only disclosed to those who need to know.

Headteacher/ Senior staff

- Monitor internal systems and personnel to collect income and recover debt
- Report to and make recommendations to Governing body/Resources committee for pursuance of debt beyond school system

Finance/admin support

- Monitor and maintain payment collection systems
- Implement early stages of debt recovery as laid out in policy

Parent/Carers

We will ensure parents are fully aware of our policy by:

- Providing a letter to parents - introducing policy initially
- Reminders in our newsletter - standing item
- Through the school website – policy/statement
- Having appropriate statements in all contracts
- Having a copy of the statement/leaflet in our induction pack when children join the school

Review date of policy

The policy will be reviewed termly for the first year by the Resources Committee for amendments and yearly thereafter.