

Nanpean Community Primary School
Nurturing Children's Passion to Succeed



Debt Recovery Policy
Headteacher: Mr Nicholls
Chair of Governors: Mrs Watts

Approved by Governors (Date): 2nd February, 2021
Next Review (Date): January 2024

Statement of intent

The Governing Board has a duty to ensure the school receives all the funds to which it is entitled. This policy has been created to ensure the appropriate procedures are in place to deal with debts and the recovery of assets.

It encompasses all debts owed to the school including, but not limited to, payments for goods, services, school trips, and school meal payments.

Parents should be made aware of, and given access to, this policy and the school's debt recovery procedures. It will be included on the school's website and made available to view at the school on request.

Signed by

_____ Headteacher Date: _____

_____ Chair of Governors Date: _____

1. The principles

- 1.1. The Governing Board will not write off any debt which exceeds £500.
- 1.2. The school will not write off any debts owed by the local authority (LA).
- 1.3. A full record will be kept of debts owed to the school for 6 years plus the current year. This will include all letters requesting money, reminders and invoices.
- 1.4. The school will not initiate legal action to recover debts. However, we will refer uncollected debts to the local authority to consider such action.

2. Roles and responsibilities

2.1. The Headteacher and Administrator with Financial Responsibilities will ensure that:

- Letters requesting money are accurately recorded and those records maintained.
- Evidence of the steps taken by the school in pursuance of debt is recorded, including dates and times of both letters and phone calls (Appendix A).
- A final reminder is sent by recorded delivery to the debtor two weeks after the second reminder letter is sent.
- Family cases will be judged fairly and according to the circumstances of the family involved.
- The privacy of the family involved will be respected and they will only be made known to those who need to know.
- The level of outstanding debt can be determined at any time.

2.2. The Governing Board

- Will prescribe and regularly review the arrangements for debt recovery.
- Must approve any legal action taken.
- Record approved actions in the minutes of the relevant meeting.
- Will adhere to the privacy arrangements.
- May delegate its responsibilities under this policy to the Finance and Personnel Committee

3. The process for pursuing debts

- 3.1. **Informal reminder:** The debtor will be informally reminded, in person or by telephone, that they owe money to the school.
- 3.2. **First reminder letter:** If the debt is yet to be paid 14 days after an informal reminder, a formal letter will be sent to the debtor (Appendix B).
- 3.3. **Second reminder letter:** If the debt is yet to be paid 14 days after a first formal reminder, a second formal letter will be sent to the debtor. These letters allow the debtor every opportunity to settle their debt and ensure the school can

prove all reasonable steps have been taken to recover the debt should the issue proceed further (Appendix C).

3.4. **Final reminder letter:** If no response is received following the second reminder after 14 days, the school will send a letter to the debtor advising them that they will be referring the matter to the local authority to consider legal action. This letter will be sent by recorded delivery to ensure the debtor has had every chance to respond. A copy of the letter will be sent to the Chair of the Finance Committee. At this point, at the discretion of the Governing Board, the debtor may be advised that they will have to pay in advance for certain services in the future (Appendix D).

3.5. **Possible legal action:** At this juncture, the appropriate body will decide whether to take legal action against the debtor.

4. Waiving of debts

4.1. The waiving of debts is at the discretion of the Headteacher and Governing Board. A debt may be waived when it is believed the debtor is experiencing serious financial hardship, or if all reasonable avenues to recover the debt have been exhausted and it is believed it would not be cost effective to pursue the debt through legal action (Appendix E).

4.2. The Headteacher is authorised to waive debts of up to £100.

4.3. Debts between £100 and £500 will only be waived with the approval of the Governing Board.

4.4. Debts of £500 or more will never be waived.

5. Links to other Policies and Monitoring

5.1. This Policy may need to be viewed in relation to our Charging and Remissions Policy.

5.2. This policy will be reviewed every three years, or more frequently if changes in charging procedures are introduced.

Date written: January 2021

Date Approved: 2nd February 2021

Date of Review: January 2024

APPENDIX A: Record of actions taken to recover outstanding debts

Debtor's Name					
Amount Outstanding			Invoice Number		
Action	Date	Method of Communication	Staff member initiating contact	Person in receipt of contact	Outcome
Invoice sent to debtor					
Informal reminder					
First reminder					
Second reminder					
Final reminder					
Governor decision					
Referred to LA; or					
Balance written off					

APPENDIX B: First reminder letter

<Debtor's Name>

<Debtor's address>

<Date>

Dear Sir/ Madam

Overdue Amount: Invoice <Invoice Number>

The overdue amount on your account is <outstanding amount>. A copy of the overdue invoice is enclosed with this letter.

Please ensure that your payment is sent within the next 14 days from the date of this letter.

The following payment methods are available:

By BACS transfer – The details required are:

Bank Account Number – 56592729

Sort Code – 60-21-37

Reference - <Invoice Number>

Please email secretary@nanpean.cornwall.sch.uk to inform us once a BACS payment has been made.

By Cheque – Please make cheques payable to Nanpean School and send it to Nanpean School, St. Georges Road, Nanpean, St. Austell, Cornwall PL26 7YH.

By e-Schools – online payment system used to limit the amount of cash on the premises.

If you have any questions please do not hesitate to contact us.

Yours sincerely

Mr M Nicholls

Headteacher

APPENDIX C: Second reminder letter

<Debtor's Name>

<Debtor's address>

<Date>

Dear Sir/ Madam

Overdue Amount Second Notice: Invoice <Invoice Number>

The overdue amount on your account is <outstanding amount>. A copy of the overdue invoice is enclosed with this letter.

Please ensure that your payment is sent within the next 14 days from the date of this letter.

The following payment methods are available:

By BACS transfer – The details required are:

Bank Account Number – 56592729

Sort Code – 60-21-37

Reference - <Invoice Number>

Please email secretary@nanpean.cornwall.sch.uk to inform us once a BACS payment has been made.

By Cheque – Please make cheques payable to Nanpean School and send it to Nanpean School, St. Georges Road, Nanpean, St. Austell, Cornwall PL26 7YH.

By e-Schools – online payment system used to limit the amount of cash on the premises.

If you have any questions please do not hesitate to contact us.

Yours sincerely

Mr M Nicholls

Headteacher

APPENDIX D: Final reminder letter

<Debtor's Name>

<Debtor's address>

<Date>

Dear Sir/ Madam

Overdue Amount Final Reminder: Invoice <Invoice Number>

The overdue amount on your account is <outstanding amount>. A copy of the overdue invoice is enclosed with this letter.

Should payment fail to reach us within the next 14 days from the date of this letter, the matter will be referred to the Local Authority to recover the debt in accordance with their debt recovery procedures. Until this balance is cleared, you will need to pay for any future <goods/ services> in advance.

The following payment methods are available:

By BACS transfer – The details required are:

Bank Account Number – 56592729

Sort Code – 60-21-37

Reference - <Invoice Number>

Please email secretary@nanpean.cornwall.sch.uk to inform us once a BACS payment has been made.

By Cheque – Please make cheques payable to Nanpean School and send it to Nanpean School, St. Georges Road, Nanpean, St. Austell, Cornwall PL26 7YH.

By e-Schools – online payment system used to limit the amount of cash on the premises.

If you have any questions please do not hesitate to contact us.

Yours sincerely

Mr M Nicholls

Headteacher

APPENDIX E: Amount Written Off

<Debtor's Name>

<Debtor's address>

<Date>

Dear Sir/ Madam

Overdue Amount: Invoice <Invoice Number>

Despite numerous reminders, the aforementioned amount is still outstanding.

As it is not cost effective for us to pursue this debt any further, Governors have taken the decision to write this debt off. Unless you can provide evidence of extenuating circumstances as to why this debt has remained unpaid and clear this balance, in future all <goods/ services> must be paid for in advance, and this includes having cheques cleared in advance.

Yours sincerely

Mr M Nicholls

Headteacher