



St. Mary & St. Andrew's Catholic Primary School

DEBT MANAGEMENT POLICY

We are guided by God who is at the centre of everything we do.

We support each other to be the best we can be to secure bright futures for everyone.

With our parishes, families and the community, we work together to create a school that is safe, happy, respectful and inspirational.

Approved by:	Newhouse Management Committee	Dates:
	Resources Committee	16 October 2023
		19 October 2023
Last reviewed on:	Autumn Term 2023	
Next review due by:	Autumn Term 2026	

Introduction

PAY TO ALL WHAT IS OWED TO THEM: TAXES TO WHOM TAXES ARE OWED, REVENUE TO WHOM REVENUE IS OWED, RESPECT TO WHOM RESPECT IS OWED, HONOR TO WHOM HONOR IS OWED. OWE NO ONE ANYTHING, EXCEPT TO LOVE EACH OTHER, FOR THE ONE WHO LOVES ANOTHER IS FULFILLED IN LAW.

ROMANS 13:7-8

The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debts. St Mary & St Andrew's Catholic Primary School will take all reasonable measures to vigorously collect debts as part of its management of public funds. If debts are incurred, it has an impact on the school budget and may affect the resources we can provide to all children. This means that money which should be spent on the children's education is used to pay for debts incurred by parents/carers. Every parent/carer will agree that this is unacceptable, and we request that all parents/carers give this policy their full support.

Policy and Aims

This policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements. The School itself will not initiate any legal action to recover debts but will refer any debts which it has

not been able to collect to the local authority legal services, which may result in legal or other action to recover the debt.

St Mary & St Andrew's Catholic Primary School and Lancashire County Council do not offer credit facilities. If the system is operated as instructed i.e. payments in advance there should be no arrears – except in an emergency when payment should be made immediately.

The policy applies to parents/carers and staff and will provide clarity and consistency in managing the debt and will also help parents/carers and staff clearly understand what is expected of them.

St Mary & St Andrew's is a cash free school, all payments must be made via [SCOPAY](#). All parents/carers and members of staff are given access codes to SCOPAY on joining the school. The SCOPAY app is available to download via Google Play and App Store, giving easy access at your fingertips.

School Meals

The school can only offer free meals to children in Reception, Year 1 and Year 2 (ages 4-6) under the Government's [Infant Universal Free School Meal](#) grant and for those whose parents qualify for [Free School Meal](#) entitlement. The Free School Meal allowance is a statutory right for qualifying pupils, and it is important that parents/carers make use of it. If parents/carers believe that their child(ren) may qualify they should apply online via [Lancashire County Council](#).

For all other pupils and staff school meals must be paid for in advance. If a pupil is to have a meal this must be ordered and paid for, via SCOPAY, 8 days in advance.

Staff meal selections can be made on the day, but a credit balance must be available in the general pre-payment account by the end of the school day.

If a pupil arrives in school without a packed lunch and no school meal ordered, one will be provided if a credit balance is available on SCOPAY. If there is no credit balance the school will contact the parent/carer and request an immediate online payment or for a packed lunch to be provided before lunchtime.

Any school meal debt which remains outstanding after 7 days will be collected in line with the measures outlined in this debt management policy document.

No meals will be provided to pupils when arrears exceed four weeks and Social Services may be informed, for these parents/carers are failing to carry out their responsibility of care in not providing food for their children at lunchtime.

Newhouse Out of School Club Wraparound Care

Payment terms for Newhouse Out of School Club are outlined in their [Terms & Conditions Parent/Carer Contract](#), parents/carers must sign these before accessing the provision.

Any debt which remains outstanding after 7 days will be collected in line with the measures outlined in this debt management policy document.

If debt remains future bookings will not be accepted, and the Newhouse Out of School Club Management Committee will be notified.

Extra-Curricular Activities and Clubs

Children may only attend if the fees have been paid in advance. Extra-curricular activities are paid on either a half-termly or termly basis and parents are advised through the newsletter, on our website Events page, text message or leaflet what club is available and the total cost. Places are secured as long as payment, for the full period, is received in advance along with any consent form.

Any debt which remains outstanding after 7 days will be collected in line with the measures outlined in this debt management policy document. If the debt remains access to the club will be cancelled.

Educational Visits and School Trips

Payment for educational visits and school trips during school time is voluntary and subject to our Charging and Remissions Policy. If parents do not wish to contribute then they should inform the School **as soon as possible**; where there are insufficient contributions to make the activity viable, or the school cannot fund it from some other source, then the activity will be cancelled.

Procedure for Collection of Arrears

It is accepted that on occasion arrears may arise for various reasons, however, arrears cannot be allowed to accumulate. The Governing Body has therefore agreed the following policy where payment has not been received in advance, or at the point of sale and arrears arise:

1. **Initial overdue payment reminder** – An initial reminder may be informal and can be made either in person (when a parent/carer comes to collect or drop off the child), by text message or telephone. The date of the initial reminder will be recorded.
2. **First overdue payment reminder** – A formal reminder letter is issued **7 days** after the initial 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. The date of issue of the first reminder letter will be recorded. (Appendices 1a, 1b & 1c)
3. **Second overdue payment reminder** – When **3 weeks' arrears** have accumulated a second overdue payment reminder will be issued. The date of issue of this second reminder letter will be recorded. For staff arrears, in accordance with the School Disciplinary Policy, this letter will act as the first written warning. (Appendices 2a, 2b & 2c)
4. **Final letter** – A final letter will be issued if no payment is received within **28 days**. The final reminder will make it clear that legal action will be considered if payment is not received within a further **14 days**. For staff arrears, in

accordance with the School Disciplinary Policy, this letter will act as the final written warning. (Appendices 3a, 3b & 3c)

Failure to respond to reminders or settle a debt

If there is no response to the final letter **within 7 days**, the debtor will be invited to meet a member of the Governing Body to discuss how the debt will be settled. Failure to respond to the letter or attend the meeting will result in the school passing the debt to the Local Authority Debt Recovery Team where legal proceeding may begin.

The School and Governing Body will make every effort to work with debtors in order to prevent debts mounting.

The School may, with the approval of the governing board, reduce or cancel a debt in certain circumstances. St Mary & St Andrew's is a Catholic School and an appropriately sensitive approach to debt recovery will be implemented, taking the following factors into consideration:

1. **Hardship** - where paying the debt would cause financial hardship.
2. **Time** - where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay off completely.
3. **Poor Health** - where our recovery action might cause further ill health.
4. **Cost** - where the value of the debt is less than the cost of recovering it.
5. **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.

At each Full Governing Body, Resource Committee and Newhouse Out of School Club Management Committee meeting, the Head Teacher is required to inform the governors of any debt which is still outstanding after the 14-day period following the final reminder together with any proposed action.

Outstanding debt of up to £200 may be written-off by the Head Teacher provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, amount of write-off and reason for no further action being taken is reported to the Resources Committee/Management Committee at their next meeting.

Write-off of outstanding debt in excess of £200 must be approved by the Resources Committee/Management Committee following submission of details of the debt by the Head Teacher together with reasons for no further action being taken.

Negotiation of repayment terms

It is expected that all arrears are settled in full by a single payment as soon as possible after receiving the first overdue payment reminder. The Governing Body acknowledge that, on occasion, families have financial difficulties and in these proven circumstances, the school will work hard with the family to agree a solution which is not to the detriment of the child. If a request for repayment terms is received these may be negotiated at the discretion of the Governing Body or Resources Committee.

A record of all such agreements entered into will be retained. In all cases, a letter will be issued confirming the agreed terms for repayment. The settlement period should be the shortest that is judged reasonable.

Costs of debt recovery

Where the School incurs material additional costs in recovering a debt then the Resources Committee/Management Committee or Governing Body will decide whether to seek to recover such costs from the debtor, who will be formally advised in writing that they will be required to pay the additional costs incurred by the school in recovering the debt. This decision and its basis will be recorded and reported to the Resources Committee/Management Committee and/or Governing Body.

Conclusion

It is very time consuming for the office staff to continually chase for outstanding payments, by letter, phone call or in person. It is also highly embarrassing for all concerned and occasionally it can have a negative effect on our relationships with staff and families. We hope that by implementing this policy we are able to help parents/carers and staff manage their school debts effectively, reduce administration time and costs involved chasing arrears and at the same time ensure that school budgets are used correctly for the education of its pupils.

Monitoring and Review

The Resources Committee will be responsible for monitoring the effectiveness of this policy and for reviewing the policy on an 3 yearly basis; taking into account changes in legislation.

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

I am writing in accordance with our Debt Management Policy, copy enclosed for your information, to remind you that according to our records you have arrears on your child's dinner money account. The amount due for payment is £«AmountOverdue». I would be grateful if you would kindly clear this balance as soon as possible via your SCOPAY account.

For your information, the last payment shown on our system was made on «LastPaymentDate».

If you think you may qualify for Free School Meals, please visit Lancashire County Council at: https://lancashire-self.achieveservice.com/service/Free_school_meals_and_pupil_premium in order to check eligibility and to register.

If you have any query or difficulty with payment of this amount, please let us know and we will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Head Teacher

First Overdue Payment Reminder

Date

«Salutation» «FirstName» «LastName»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «FirstName»

I am writing in accordance with our Debt Management Policy, copy enclosed for your information, to remind you that according to our records you have arrears on your dinner money account. The amount due for payment is £«AmountOverdue». I would be grateful if you would kindly clear this balance as soon as possible via your SCOPAY account.

For your information, the last payment shown on our system was made on «LastPaymentDate».

If you have any query or difficulty with payment of this amount, please let us know and we will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Head Teacher

Staff First Overdue Payment Reminder

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

I am writing in accordance with our Debt Management Policy, copy enclosed for your information, to remind you that according to our records there is a balance outstanding for Out of School Club. The amount due for payment is £«AmountOverdue». I would be grateful if you would kindly clear this balance as soon as possible via SCOPAY.

For your information, the last payment shown on our system was made on «LastPaymentDate».

If you have any query or difficulty with payment of this amount, please let us know and we will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Newhouse Out of School Club Manager

First Overdue Payment Reminder

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

You will recall that I wrote to you a couple of weeks ago regarding the outstanding balance on your child's dinner money account.

According to our records the balance outstanding is £«AmountOverdue». In order that the School's budget is not used to clear your debt please make arrangements for the outstanding debt to be paid immediately via SCOPAY. Once you have cleared the debt you must ensure the account is kept in credit for your child to continue to receive school lunches.

If you have any query or difficulty with payment of this amount, please let us know and we will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Head Teacher

Second Overdue Payment Reminder

Date

«Salutation» «FirstName» «LastName»
«Address1»
«Address2»
«Address3»
«Address4»
«Address5»

Dear «FirstName»

You will recall that I wrote to you a couple of weeks ago regarding the outstanding balance on your dinner money account.

According to our records the balance outstanding is £«AmountOverdue». In order that the School's budget is not used to clear your debt please make arrangements for the outstanding debt to be paid immediately via SCOPAY. Once you have cleared the debt you must ensure the account is kept in credit for you to continue to receive school lunches.

In accordance with the School Disciplinary Policy this letter will act as the first written warning.

If you have any query or difficulty with payment of this amount, please let me know and I will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Head Teacher

Staff Second Overdue Payment Reminder

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

You will recall that I wrote to you a couple of weeks ago regarding the outstanding balance on your child's out of school club account.

According to our records the balance outstanding is £«AmountOverdue». In order that the Out of School Club's account is not used to clear your debt please make arrangement for the outstanding debt to be paid immediately via SCOPAY. Once you have cleared the debt you must ensure that funds are available in advance to secure a booking.

If you have any query or difficulty with payment of this amount, please let us know and we will endeavour to help.

Yours sincerely

Mrs Sarah Roach
Newhouse Out of School Club Manager

Second Overdue Payment Reminder

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

I am very concerned that you have not contacted me to make arrangements to repay the outstanding balance of £«AmountOverdue» on your child's dinner account despite numerous messages.

You must now contact the school office to arrange a meeting with a member of the Governing Body, **within 7 days**, to discuss how the debt will be settled. Please refer to our Debt Management Policy, a copy of which you were provided with 3 weeks ago.

I very much regret that if you do not take steps to resolve the position, without delay, then the school will have no alternative but to report the debt to the Governing Body who may then inform the local authority to begin legal proceedings to recover the outstanding debt, together with all costs involved.

No meals will be provided to «FirstName» when arrears exceed four weeks and Social Services may be informed as you are failing to carry out your responsibility of care in not providing food for your child.

Yours sincerely

Mrs Sarah Roach
Head Teacher

Final Payment Reminder

Date

«Salutation» «FirstName» «LastName»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «FirstName»

I am very concerned that you have not contacted me to make arrangements to repay the outstanding balance of £«AmountOverdue» on your dinner account despite numerous messages.

You must now contact the school office to arrange a meeting with a member of the Governing Body, **within 7 days**, to discuss how the debt will be settled. Please refer to our Debt Management Policy, a copy of which you were provided with 3 weeks ago. In accordance with the School Disciplinary Policy this letter will act as the final written warning.

I very much regret that if you do not take steps to resolve the position, without delay, then the school will have no alternative but to report the debt to the Governing Body who may then inform the local authority to begin legal proceedings to recover the outstanding debt, together with all costs involved.

No more meals will be provided when arrears exceed four weeks.

Yours sincerely

Mrs Sarah Roach
Head Teacher

Staff Final Payment Reminder

Date

«ParentSalutation»

«Address1»

«Address2»

«Address3»

«Address4»

«Address5»

Dear «ParentSalutation»

Re: «FirstName» «LastName», «ClassName»

I am very concerned that you have not contacted me to make arrangements to repay the outstanding balance of £«AmountOverdue» on your child's Out of School Club account despite numerous messages.

As the club must fund all debts from its account, it is essential that all payments are up to date so that the quality of service provided to all pupils is maintained. As I am sure you will appreciate the club operates on a limited budget therefore, to enable us to provide for the welfare of the children, and excellent facilities at the highest level possible, then strict financial control is essential.

Unfortunately, if the debt is not cleared within the next 7 days, we will no longer be able to offer the services of Newhouse Out of School Club to your child. We are happy to discuss arrangements for a repayment plan if this would be helpful.

I very much regret that if you do not take steps to resolve the position, without delay, then the school will have no alternative but to report the debt to the Governing Body who may then inform the local authority to begin legal proceedings to recover the outstanding debt, together with all costs involved.

Yours sincerely

Mrs Sarah Roach
Newhouse Out of School Club Manager

Final Payment Reminder