



Our Lady of the Wayside Catholic Primary School

DEBT MANAGEMENT POLICY FOR PARENTS AND CARERS

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Policy Statement

As from 21st July 2022 the Board of Directors of Our Lady and All Saints Catholic Multi Academy Company ('the MAC') and all schools within the MAC have adopted a strict 'no debt' policy in respect of all services provided within our schools. This Debt Management policy for parents, carers and staff forms part of our strategy to make sure this is achieved. Voluntary contributions for activities are out of scope of this policy. For the purposes of this policy the term 'parent or parents' will be used to represent any parent, guardian or carer.

Background

Where debts are allowed to build up, it often becomes harder for the person owing the money to pay. If a debt is not repaid then money which should be utilised to pay for children's education is used to subsidise these debts, which is an unacceptable use of public funds. We therefore hope that parents and staff will understand why we are adopting this policy to avoid incidence of debts, and will give it their support in order to protect the education provided to all children in the school.

Therefore, in adopting this policy we aim to:

- reduce the risk of parents incurring large debts that they will struggle to pay off.
- ensure that entire school budgets are used to provide educational services to all of our children.

Services which parents are required to pay for

The services provided to pupils which parents are required to pay for include, further details are in the Charges and Remissions policy:

- **School Meals** (unless pupil is eligible for either Free School Meals or Universal Infant Free School Meals)
- **Extended School facilities** e.g., Before and After School Club, holiday play scheme
- **Music tuition**, although this may be direct to the providers of the music tuition, and therefore would be out of scope of this policy
- **Extra-curricular clubs** e.g., after school sports clubs, selective schools club, orchestra etc.
- **Chargeable Activities**, e.g., Residential School trips where board and lodging costs are chargeable to parents

Timing of payments

Parents are required to pay for all services provided by the school in advance by making a payment to their child's account on ParentPay.

Debt Management process

Where payment has not been made for a particular service, that service will no longer be provided to the pupil concerned.

For school meals, this means that the parent may be requested to provide a packed lunch in the future. Where a child attends school without food of the day, at lunch-time a simple meal (e.g. Pasta and yoghurt) will be provided and charged to the parent, it is the policy of the MAC to ensure that no child is without food during the school day

and Parents/Careers/Guardians will be contacted to advise what has been provided for the child, and that this is chargeable.

For any before and after school or holiday club services, the pupil will not be allowed to attend and may lose their place.

The only exception to this is that if a parent genuinely forgets to make a payment in advance of the service being provided, the school may grant a debt allowance of 7 days. This debt must be paid the following week, and all future services must be paid for in advance.

However, any family experiencing genuine financial hardship is encouraged to arrange to discuss this with the Head Teacher before accessing chargeable school services.

In the exceptional instance that pupils have continued to access services and a debt has been incurred, parents will receive a letter requesting payment within 7 days. Any reasonable request for permission to pay in installments will be considered. However, in the absence of either payment or an agreed payment plan within this period, the school will have no choice but to proceed with debt recovery which may include legal action.

Debt Recovery Procedures

Where payment from the parents/carers has not been received in advance, or at the end of the first week, the following process will be applied:

Step 1 - An initial reminder will be sent to parents/carers by letter and a text will be sent to the parents/carers informing them of the letter. A reminder is sent a maximum of 7 days after the original debt remains unpaid after the due date.

Step 2 - If the debt remains unpaid after a further 7 days, the school will contact the parents/carers by telephone.

Step 3 - A second formal reminder letter will be issued 2 weeks after the initial 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 the debt first became overdue.

Step 4 - If there is no response to the second formal reminder letter the parents/carers will be invited to meet the Head teacher to discuss how the debt will be settled. An official invoice may be issued for the full amount.

Step 5 - This will trigger the School's recovery process. The parents/carers may be advised that they will be required to pay in advance going forward. The decision and its basis will be recorded and reported to the Governing Body and the parents/carers.

Step 6 - Within 10 days of the second formal reminder letter a decision should be made regarding further activity, which may include legal action.

Negotiation or Payment terms

Parents/Carers in debt to the school are expected to settle the amount by a single payment as soon as possible after receiving the initial reminder. If they are unable to pay the school may consider a payment plan or in exceptional circumstances, reduce/cancel the debt. Any repayment plan must also consider the charges for on-going services provided by the school of the child. A sensitive approach to debt recovery will be taken and the following factors will be considered:

- **Hardship** – where paying the debt would cause financial hardship
- **Ill health** – where recovery action might cause further ill health
- **Time** - where the debt is large compared to the person's income
- **Cost** – it would take an unreasonable length of time to discharge the debt in full
- **Multiple Debts** – where someone owes more than one debt to the school. In this situation an attempt to agree a single repayment plan for all debts outstanding will be established.

Applying for Remissions

If a parent believes that their children may qualify for Remissions to certain charges, as per the Charging Policy, they are welcome to contact the school office to discuss with the Head Teacher in confidence for more details. As for Free School Meals, Remissions cannot be backdated, so it is important for parents talk to the school as soon as they are aware of any such need.

Schools Reporting of Debts

It is the responsibility of each school to monitor and review the level of debts held for various activities. The MAC Central team will, on a ½ termly basis, issue a debt status to the board highlighting any issues with schools debt management processes.

Writing Off Debts

Any debts which cannot be collected will need to be written off and charged to the school budgets.

All debts that are requested to be written off must be communicated to the Finance Team before they are written off, this is to ensure that they are accounted for correctly. The Scheme of Financial Delegation details the level of Debt write off permissible.

Any Family debt up to £100.00 can be actioned by the school without further approval.

Any Family debt up to £250.00 must be approved by the Chief Finance and Operations Officer

Any Family debt up to £500.00 must be approved by the Chief Executive Officer

Any Family debt over £500.00 must be approved by the Board or delegated sub-committee.

Appendix A – Initial Letter regarding Debts

Reminder 1 - Sent home with child – With Text message to parents

Parent or carer of A Child
Address

Date:

Our records show that you have not paid breakfast/after-school club/dinner/residential/trip/music tuition/tuition money for your child – Child's name and class.

As at date your account is showing a balance of £-0

Please arrange for this money to be paid immediately. Parentpay is our preferred method of payment. Once the balance is cleared please ensure the account is always kept in credit. (Amend as appropriate) The cost of a school meal is £XX per day - £XX per week.

If you have recently paid this balance, please disregard this letter and accept our apologies.

If you have any queries regarding this letter, please contact the school office immediately.

Yours sincerely

Appendix B – Second Letter to Parents

Reminder 2 – via Email to parents

Parent or carer of A Child
Address

Date

Our records show that you have not paid money for (please delete as appropriate) breakfast/afterschoolclub/dinner/trip/residential/tuition/music tuition for your child (child's name, class name) despite a previous written reminder.

As at Date your account is showing a balance of £-0

Please arrange for this money to be paid immediately. Parentpay is our preferred method of payment.

(Amend as appropriate) The cost of a school meal is £XX per day, £XX per week.

(Amend as appropriate) Since non-payment for school meals affects the quality of service we offer to the children or young people, we need to ensure that all payments are up-to-date and I am afraid that if the balance is not cleared by the start of next week, or no dialogue has taken place with the school to resolve the issue, it will not be possible to provide your child with a school meal. You will need to make your own arrangements for your child's lunch.

Failure to make payment for these debts may lead to formal debt collection, as per the Schools Debt Management Policy.

If you have already paid the outstanding amount by the time you have received this letter, please accept our apologies, disregard this letter and report your payment to our school office.

If you have any queries regarding this balance, please contact the school office immediately.

Yours sincerely