

**St Patrick's Catholic Primary School & Community Nursery**  
**Hullenedge Road, Elland, West Yorkshire, HX5 0QY**

**DEBT RECOVERY POLICY**

**GENERAL REQUIREMENTS**

St Patrick's Catholic Primary School & Community Nursery will take all reasonable measures to collect debts as part of its management of public funds. A debt will only be written off after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it. The school office administrator will liaise with parents to obtain recovery of the debt amount and will negotiate a payment plan with parents to ensure all monies owed are repaid in full.

St Patrick's Catholic Primary School & Community Nursery's Debt Recovery Policy will observe the relevant financial regulations and guidance set out in the Financial Handbook for Schools and any other legal requirements.

In particular:

- the Governing Body will not write-off any debt belonging to the school which exceeds £500. Any sums above this will be referred by the Governing Body to an outside collection agency. (If any debtor has a number of debts which together exceed the write-off limit then these will be treated as a total amount).
- a formal record of any debts written-off will be maintained and this will be retained for 7 years.
- St Patrick's Catholic Primary School & Community Nursery will refer any debts which it has not been able to collect (unless a decision to write-off the debt is demonstrably a reasonable course of action) to the Governing Body of the School to consider taking legal or other action to recover the debt.

**DEBT COLLECTION PROCEDURE**

**GENERAL**

Normally monies become overdue 30 days after receipt of goods or services. Any debt outstanding after this will be dealt with in the following way:-

- **First Formal Reminder Letter**

The first reminder letter will be sent through the pupil post or by royal mail (depending on the type of debt and the individual circumstances).

- **Second Formal Reminder Letter**

If, within two weeks of the 'First Reminder' letter, payment has not been received, a second letter will be sent by recorded delivery.

- **Failure to Respond**

If no payment is received after two formal reminders the debt will be referred to the appropriate committee of the School Governing Body who will then write to the parents concerned collection of the outstanding amount, with the option of using a debt recovering company.

## **DINNER MONEY DEBTS**

Payment for school meals should be paid in advance and parents are telephoned or written reminder letters are sent immediately if dinner money is not received. Any money outstanding 14 days after meals have been taken will be dealt with in the following way:-

- **First Formal Letter**

The first formal letter will be sent through the pupil post or by royal mail (depending on the individual circumstances).

- **Second Formal Letter**

If within one week of the first letter payment has not been received, a second letter will be sent by first class mail.

- **Third Formal Letter**

If within one week of the second letter payment has not been received then a letter will be sent to the parent by recorded delivery informing them that the debt is being passed to the Governing Body for a decision on the appropriate procedure for collection. At this stage the parent will be told that their child can no longer have school meals and informed that they should arrange to send a packed lunch in for their child from a specified date.

All through the above stages every effort will be made to make personal contact with the parent via telephone. A log of correspondence and telephone calls and copies of all letters will be kept for audit and legal purposes.

### **To avoid bad debts occurring:-**

- all orders for items, such as uniform, now require payment with the order
- all private hirers are required to pay a 10% deposit on booking and the balance to be paid not later than ten working days before the event. In the event of payment not being received the booking will be cancelled
- school meals should be paid for in advance

## **REPORTING OF OUTSTANDING DEBT LEVELS**

The Senior Administrator will ensure that the level of outstanding debt is known at any time. Dinner money debts will be reported to the Finance, General Purposes and Staffing Committee who will then make recommendations to the Full Governing Body who will pass them on (if appropriate) to a debt collection agency.

## **BAD DEBTS (WRITE-OFFS)**

The Governing Body has the authority to write-off bad debts up to a value of £500. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

**POLICY REVIEW**

This policy will be reviewed annually by the Finance, General Purposes and Staffing Committee and approved by the Governing Body.

Created: February 2014

Signed: .....