



## **Debt Recovery Policy**

<b>Committee:</b>	<b>Finance and HR Committee</b>
<b>Approved on:</b>	<b>14<sup>th</sup> June 2018</b>
<b>Next review date:</b>	<b>June 2019</b>

## **Introduction**

The schools' governing body has a responsibility to have a debt recovery policy which ensures that appropriate procedures are in place to enable the school to receive all income to which it is entitled.

## **Sales Invoices**

Sales invoices are to be raised on a timely basis, as soon as possible once the good or service has been provided to the customer.

All invoices are raised with payment terms of 30 days.

Statements will be issued by schools once the debt becomes overdue.

Schools will contact customers to determine if any queries or issues exist with the debt if this remains unpaid after seven days of issuing the statement.

## **Out of County invoicing to Local Authorities**

For Out of County invoicing to Local Authorities for pupil and place funding, where possible these should be issued monthly in advance.

## **Aims and Objectives**

To ensure that the governing body complies with the Endeavour Financial Regulations;

To protect the delegated school budget;

To apply this policy consistently to ensure debt is dealt with in a timely manner;

To ensure further goods or services are not supplied to parents/carers or customers who have not paid for items already received or used.

## **The debt recovery process**

Endeavour has their own procedures in place which are used to collect income. An official invoice will be raised on the PSF finance system.

Invoice raised with payment terms of 30 days

- A reminder is sent 7 days after the 30 days has expired
- A final notice is issued before the school can request the debt recovery officer to contact the parent/carer/customer at their home/ business address (minimum value £150) or the matter referred onto the courts (minimum value £250).

### **Dinner Money**

Payment for schools meals should be paid in advance and clearly marked in a sealed envelope with the child's name, class and amount and given in at the school office.

The school office will reconcile each week the payments received to the meals ordered and any discrepancy will in the first instance result in a telephone call to the parent/carer to request payment. Any parent/carer that has not made payment by the end of the second week will be sent a letter requesting immediate payment. A second letter will then be sent out followed by an invoice raised by the school.

If payment is still not received within five school days then the parent/carer will be informed that further action will be taken to recover the debt.

Governors have decided on the following policy regarding unpaid meals

- A basic meal (sandwich) only will be provided to pupils where the parent has not paid up to arrears of £33.00 then no further meals will be served.

### **Board and lodging on residential visits**

The board and lodging element of a residential visit can be charged to parents/carers and they are notified of the cost in advance and are given to opportunity to pay in instalments should they wish.

Payment must be made in full before the departure date or the child will not be allowed to attend.

### **Remissions**

In some cases governors have agreed that certain categories of pupils are not liable for the fee or are eligible for a reduced fee for some or all of; extended school activities, music tuition or residential visits. This is included within the Charging and Remissions Policy (reviewed annually).

### **Lettings**

Contracts for lettings of the school premises will be drawn up as necessary between the school and the client in line with the Charges and Remissions Policy.

Failure to pay within 30 days of the date of the invoice may lead to further action for recovery of the debt, with the customer being refused any future hires.

### **Writing off debts**

When all practical and cost effective methods of debt recovery have been exhausted the Trustees will be notified of the amount of debt that is considered to be irrecoverable.

The Trustees will take into account the age and size of each debt and any advice from legal before making a decision to write off debt.