



# LANDKEY COMMUNITY PRIMARY ACADEMY

STRIVING FOR EXCELLENCE - CARING FOR ALL

## Debt Recovery Policy

**Date Adopted:**

Autumn 2025

**Author/owner:**

Local Governing Body

**Anticipated Review:**

September 2026

## Introduction

Any debt owed to the school can have a detrimental effect on the budget. This in turn may result in a reduction in the resources that we can provide to all our children. As a Public Body, school has an obligation to manage the public funds allocated and will take all reasonable measures to collect all debts regardless of the age of the debt.

We hope that parents will support this stance and make every effort to avoid owing money to the school.

## Purpose of the policy:

The purpose of this policy is to ensure that:

Procedures are in place to recover all outstanding debt

- All reasonable measures are taken to collect all outstanding debts
- Debt write offs are kept to a minimum
- Due regard is given to Harbour Schools Partnerships Financial Regulations, all relevant financial regulations and any other legal requirements.

## Acceptable “credit period”

### Invoices

Payments due for services provided by the school should be paid within 14 days of receipt of invoice

### Before and After School Club

Sessions are pre-booked and parents are charged for sessions at the beginning of each month via our online payment system, My Child at School (MCAS). All charges must be paid in full before the beginning of the following half term as agreed in the Extended Schools Childcare Policy.

### Nursery

Sessions in addition to those funded by the local authority are pre-booked and charged for at the beginning of each half term via MCAS. All charges must be paid in full before the beginning of the following half term as agreed in the Nursery enrolment forms.

### Trips (curriculum and other)

Voluntary contributions for trips which relate to our Teaching and Learning are made via MCAS and should be paid for in advance to ensure that the trip is financially viable and able to go ahead.

## **Dinners**

Pupil lunches should be paid in advance via MCAS; any outstanding balance must be cleared within 1 month. We recommend that the account is regularly topped up to ensure there is enough credit to cover lunch costs.

## **Reporting of outstanding debt levels**

All debts are monitored at regular monthly intervals by the Lead Administrator and shared with the Headteacher. Records are maintained to detail individual debts and the total value of debt to the school. Individual debts may be referred to the Tarka Learning Partnership's Chief Financial Officer for further action should the school's debt recovery process be exhausted.

## **Debt Recovery Procedures**

### **Dinners**

Any dinner money arrears that arise will be pursued by the school on a weekly basis via MCAS reminders and telephone contact.

Weekly reminders to top up the lunch account will be sent out by email to those with outstanding balances of £12.50 or more.

If the debt rises to £20 or more, parents/carers will be contacted by a member of the admin team to discuss the debt and request immediate payment.

If the debt continues to rise despite further calls, the parent/carer will be contacted again and advised that if the debt remains outstanding the school may refuse to provide a lunch and that a packed lunch should be provided to the pupil.

Parents/carers with lunch debts above £50 will be contacted by the Lead Administrator to discuss and agree repayments.

If the outstanding debt is still not cleared within the timescales agreed with the Lead Administrator a letter will be sent to the parents/carers informing them that, despite our best efforts, the debt remains. They will be given a final opportunity to clear the debt within 7 days and informed that the school will no longer be able to provide school lunches. Parents/carers will need to ensure that a packed lunch is provided every day.

If no monies are paid within 7 days, the parent/carer will be invited in to speak with the Headteacher. At this time a written agreement plan will be put in place. The repayments and length of the plan should be acceptable to both the school and the parent/carer. The plan will be monitored on a regular basis by the Lead Administrator. Failure to adhere to the plan will result in the school seeking legal advice for further action.

## **Wrap Around Care & Nursery Fees**

MCAS accounts will be monitored regularly to ensure that balances are reducing. If no payments have been made, a member of the team will email the parents/carers to request payment. Records of all contact will be recorded on the Bromcom system in the communication Log

Two weeks before the end of half term, parents/carers with significant outstanding balances will be sent an email reminder requesting payment. Follow up telephone calls will be made to request payment in full before the end of term.

If the outstanding debt remains uncleared within the timescales agreed, a letter will be sent to the parents/carers informing them that, despite our best efforts, the debt remains. Parents/carers will be given a final opportunity to clear the debt within 7 days and informed that the school has no choice but to withdraw the placement.

If no monies are paid within 7 days, the parent/carer will be invited in to speak with the Headteacher. At this time a written agreement plan will be put in place. The repayments and length of the plan should be acceptable to both the school and the parent/carer. The plan will be monitored on a regular basis by the Lead Administrator. Failure to adhere to the plan will result in the school seeking legal advice for further action.

### Negotiation of repayment terms

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the initial '*overdue payment*' reminder.

A sensitive approach to debt recovery will be carried out, taking the following factors into account:

- Hardship: where paying the debt would cause financial hardship.
- Ill health: where our recovery action might cause further ill health.
- Time: where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
- Cost: where the value of the debt is less than the cost of recovering it.
- Multiple debt: where someone owes more than one debt to the School.

In this situation an attempt to agree a repayment plan to include all debts will be made. A request for '*repayment terms*' may be negotiated at the discretion of the Headteacher or Lead Administrator. A record of all such agreements entered into will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment. The settlement period should be the shortest that is judged reasonable.

The Headteacher or Lead Administrator will decide whether any debtor who has been granted extended settlement terms will be offered any further '*credit*' and in future will be required to pay in advance for all services.

## **Removal of services within school**

This Debt Management Policy in respect of dinner monies includes the refusal to provide a school meal when the parent/carers has not paid or made contact with the school and payment has been outstanding for 4 weeks.

The Academy reserves the right to withdraw a child's self-funded Nursery place if full payment is not received within the stated and/or agreed credit period. This does not affect the Government funded placement.

The Academy reserves the right to withdraw a child's place in Wrap Around Care provision if full payment is not received within the stated and/or agreed credit period.

## **Summary**

We hope that by implementing this Debt Management Policy, we are able to keep debts to a minimum and help parents/carers manage school dinner accounts, Wrap Around Care and Nursery fees effectively. The policy should also reduce the administration time and costs involved chasing debts, whilst ensuring that money, which should be spent on children's education is not used to pay for debts incurred by parents/carers.

## Appendix 1

### PAYMENT AGREEMENT

<b>Name</b>					
<b>Address</b>					
<b>Contact Number</b>					
<b>Pupil Name</b>					
<b>Balance to pay</b>					
<b>Relating to:</b> <i>Circle as appropriate</i>	<b>Dinner Money</b>	<b>Nursery</b>	<b>Breakfast Club</b>	<b>After Club</b>	<b>School</b>
<b>Signed</b>					
<b>Signed</b> <i>(on behalf of the school)</i>					

I hereby agree to pay £\_\_\_\_\_ per week/month to \*insert  
name of school\* for a duration of \_\_\_\_\_ weeks/months in  
order to settle the balance detailed above.

[illegible]