



Rushey Green School

Meals Debt Policy

Enjoying the present, preparing for the future

SCHOOL MEALS DEBT POLICY

Rushey Green School Mission Statement

We aim to work in partnership with parents to provide an education of the highest quality, which celebrates everyone's success in a happy, caring, creative environment where all our differences are valued.

The following principles were recommended by Schools Forum on the 26th September 2013 (Item 8 Appendix B) for use by schools.

The School has adopted a NO DEBT policy relating to the provision of school meals. If debts are incurred, then the school budget has to pay for them. This means that money which should be spent on the children's education is used to pay for debts incurred by parents.

Parent/s Carers must pay in advance for their children / children's school lunch either in person or on-line, unless they receive Free School Meals. If the account is in debt, parents must either provide a packed lunch or take the child home for lunch. In a case when a debt payment is not received nor a packed lunch provided, a member of the Senior Leadership Team will phone the parent to ask them to come to school with the money. Otherwise a sandwich will be provided to the child for that day only and the cost added to the debt.

If payment of the debt is not received, the Headteacher reserves the right to pursue the debt in accordance with this policy.

We hope that by implementing this debt policy we are able to help parents manage school dinner money better and at the same time ensure that all money that is for children's learning, is available.

1. General requirements

The school will take all reasonable measures to vigorously collect debts as part of its management of public funds. A debt will be written off only after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it.

The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools and any other legal requirements. In particular:

- the Governing Body will not write-off any debt belonging to the school which exceeds £1,000. Any sums above £1,000 will be referred to the Head of Resources, Director of Children and Young Peoples Services for approval for write-off. The formal agreement of the Local Authority's Director of Finance and Resources (Section 151 Officer) will be obtained before a debt exceeding £1,000 is written off. (If any debtor has a number of debts which together exceed the write-off limit then these will be treated as a total amount). Debts greater than £5,000 can only be written off by the Executive member for Finance on advice of the section 151 officer.

- A formal record of any debts written off will be maintained and this will be retained for 7 years.
- The school will not initiate any legal action to recover debts, but 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 Council's debt recovery team to consider taking legal or other action to recover the debt.
- the school will NOT write-off any debt belonging to the Local Authority or another party, e.g. debts for school meals. If in doubt as to the appropriate action to collect any such debts the school will seek advice promptly from officers of the Local Authority.

In general payment for all goods and services supplied by the School should be collected in advance or 'at the point of sale'.

2. Acceptable 'credit period'

The Headteacher must determine the length of time they deem to as an acceptable 'credit settlement period' before the debt recovery procedures are applied. The Headteacher may consider that an 'acceptable' credit period may vary between different income generating activities; for example;

- School lettings;
- School Meals;
- Trips and activities.

The Headteacher may stipulate a maximum settlement period for school lettings in a separate 'Lettings policy'. However, in order to ensure a consistent approach and demonstrate transparency, the 'acceptable' period for each activity should be stipulated in this policy.

Debt recovery procedures should be applied in accordance with item 4 of this policy.

3. Reporting of outstanding debt levels

The Headteacher will ensure that the level of outstanding debt is regularly monitored. Suitable records will be maintained to detail individual debts and the total value of debt to the school in order that it can be determined at any time and reported to the Finance and Personnel Committee.

The Committee will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective. Monitoring of outstanding debts may be differentiated by type, e.g. if school meal debts prove more of a problem than those for lettings of premises then the frequency and degree of monitoring should reflect this.

4. Debt Recovery Procedures

4.1 Where payment from the parent/guardian has not been received in advance, or 'at the point of sale', the following process should be applied.

- (a) An invoice should be issued for the full amount in order to officially set up the debt; Where invoices are raised they should state the date by which payment is due.

- (b) In all other cases, such as correspondence with parents, etc. the maximum period that the school regards as reasonable before payment is overdue should be clearly stated.

If payment is not forthcoming the process detailed in 4.1(a) should be applied.

- (c) A record of all charges for goods and services will be maintained detailing type of good/services supplied, value, date(s) good/services supplied and the identity of the 'debtor', e.g. child, parent, hirer, etc.

5. Verbal and Written Reminders

5.1 Details of all reminders, whether verbal or in writing, should be maintained. Where a letter is issued, a copy must be retained on file.

Should a debt need to be taken beyond two reminder letters, formal written evidence may have to be produced. It is therefore important that at least one, but preferably two, written reminders are sent.

5.2 Initial 'overdue payment' reminder

An initial reminder may be informal and can be made either in person (when a parent/guardian comes to collect/drop off the child), or by telephone.

In general, the Finance Assistant will notify the parent/guardian after having built up a good relationship with the parents. The date of the initial reminder should be recorded.

5.3 First 'overdue payment' reminder letter

A formal reminder letter may be issued 2 weeks after the informal reminder / the date of supply.

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 that the debt first became overdue.

The date of the initial reminder should be recorded.

5.4 Second 'overdue payment' reminder letter

A second reminder letter may be issued 2 weeks after the First Reminder Letter. The date of the initial reminder should be recorded.

6. Failure to respond to reminders / settle a debt

If after 2 reminders, a response or payment is not received, a letter may be sent to the debtor advising them that the matter will be referred to the Council's Legal Services Section.

At the discretion of the Headteacher the debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to them. This decision and its basis will be recorded and reported to the Committee.

7. Negotiation of repayment terms

Debtors are expected to settle the amount immediately. However, if people are unable to pay, the School may reduce or cancel a debt in certain circumstances. 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 one repayment plan to include all debts will be established.

If a debtor requests for ‘repayment terms’ these may be negotiated at the discretion of Headteacher. 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 Head teacher will decide whether any debtor who has been granted extended settlement terms will not be offered any further ‘credit’ and will, in future, be required to pay in advance. This decision and its basis will be recorded and reported to the Committee.

8. Costs of debt recovery

Where the school incurs material additional costs in recovering a debt then the Head teacher will decide whether to seek to recover such costs from the debtor. The debtor 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 Finance Committee.

9. Bad debts

This debt recovery policy should be cross-referenced to the Scheme for Financing Schools. Write-off of any debt requires the written approval of the Committee up to a maximum of £1000. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

10. Policy Review

This policy will be reviewed and approved annually by the Committee.

Signed:
 Chair of Finance Committee
 Date:
 Signed:
 Chair of Full Governing Body: Date:

Last reviewed September 2016
 Next review date Spring 2019