



# Debt Policy

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## Key Document Details

**School Name:** All schools

**Version no:** 1

**Author:** Director of Finance

**Owner:** Director of Finance

**Approved by:** COO/CEO

**Ratified date:** September 2022

**Interim review date:** N/A

**Next review date:** September 2025

## **1. Introduction**

### **1.1. Statement**

The White Horse Federation (TWHF) "The Trust" has a duty to ensure the school receives all the funds to which it is entitled. This policy has been created to ensure the appropriate procedures are in place to deal with debts and the recovery of assets. It encompasses all debts owed to the school including, but not limited to, payments for goods, services, school trips and school meal payments.

### **1.2. Aim and purpose**

This policy aims to help our schools to adopt a consistent approach to debt with a view to eliminating it completely. It provides clarity and consistency in managing debt and will also help parents and carers clearly understand what is expected.

### **1.3. Who it applies too**

The policy applies to all parents/carers of children who attend a White Horse Federation school.

## **2. Policy**

### **2.1 Description**

The services provided by school are no different to those provided by any other business and the meals and other services must be paid for.

Most parents understand that they cannot take their child to a cafe and expect them to be given food without paying or to a music teacher who will teach their child free of charge. However, a minority of parents do not pay on time for services offered by the school. This puts the school in the position of subsidising a few families with funding that should be spent on the children's education, as well as causing considerable extra work for office staff and therefore further cost to TWHF budget.

TWHF does not accept debt. Schools can only offer free meals to children whose parents qualify for Free School Meal (FSM) entitlement. Every other meal and service for which there is a charge must be paid for. The ParentPay system is now in use for most services offered by the school to make payment easier.

Parents are required to pay for all services provided by the school in advance by making an online payment to their child's account on the ParentPay system or at any shop displaying the PayPoint logo. On the ParentPay system, separate payment items are listed for every child, for example, lunches, breakfast club, after school club, nursery. Parents can choose how frequently they make payments to the ParentPay accounts. This could be weekly, monthly or termly.

TWHF is invoiced for residential trips, meals and music lessons and must pay staff to run the Breakfast & After School Clubs, so it is essential that sufficient funds are available. If there were insufficient funds from those who use these services then TWHF would have to cover the shortfall from the budget it is given for all children. That would be unfair, illegal and unsustainable.

Parents who are experiencing difficulty in paying for a chargeable service offered by the school should inform the school office immediately. In most circumstances a payment plan can be agreed to help parents clear their debt to the school as soon as possible. Large debts left unpaid may be passed to a professional debt collection firm to legally recover.

### **2.2. Compliance**

Only those that have complied with the terms and conditions are authorised to use the facilities and this includes how TWHF expects any user to comply with our safeguarding policy.

### 3. Key steps in the process

#### 3.1. Roles and responsibilities

- The Principal has responsibility for the operation of this policy on the school site.
- The Senior/Pupil Services Officer will operate the day-to-day administration and ensure compliance.
- The Associate Pupil and Business Services Director will review the policy on an annual basis.

#### 3.2. Procedures

- A copy of this debt policy is available on the school web site.
- All services provided, including residential trips, day trips, school lunches, academic tuition, music tuition, instrument hire, breakfast and after school club places must be paid for in advance.
- No child should be sent to school without money in their account and expect to be given a meal, music lessons, a place on a residential or day trip, access to Breakfast or After School Club care.
- Parents who don't want their child to have a school lunch should provide a healthy packed lunch.

#### 3.3. Debt Implementation

Where payment for services is not received in advance and arrears accumulate, the following procedures apply:

##### Level 1

**Indicator:** A child's account goes into debt for lunch payments.

**Check 1:** Check that the child is not entitled to FSM, are dates correct?

**Check 2:** Is there a possibility that payments have not been credited? Be aware that payments made at a PayPoint may take up to 48 hours to appear on the school's account.

**Check 3:** Does this parent normally pay on time, is this just a one off?

**Check 4:** Is the register correct? Check paperwork.

##### **Action 1: Personal contact**

Office staff will phone parent/carer to ask them to make payment online or, in the instance of a lunch being required, bring sandwiches to school before lunchtime.

##### Level 2

**Indicator:** A child comes to school without the debt being paid and the use of the service is expected again.

**Check 1:** For lunch payments, check that the child is not entitled to FSM, are dates correct?

**Check 2:** Is there a possibility that payments have not been credited? Be aware that payments made at a PayPoint may take up to 48 hours to appear on the school's account.

**Check 3:** Has the parent made contact?

**Check 4:** Is the register correct? Check paperwork.

##### **Action 2: Send reminder – Appendix 1**

##### Level 3

**Indicator:** The parent does not comply with any of these options,

**Check 1:** For lunch payments, check that the child is not entitled to FSM, are dates correct?

**Check 2:** Is there a possibility that payments have not been credited? Be aware that payments made at a PayPoint may take up to 48 hours to appear on the school's account.

**Check 3:** Has the parent made contact?

**Check 4:** Is the register correct? Check paperwork.

##### **Action 4: Send final reminder letter - Appendix 3**

##### Level 5

**Indicator:** The parent consistently does not comply with any of these options,

**Check 1:** For lunch payments, check that the child is not entitled to FSM, are dates correct?

**Check 2:** Is there a possibility that payments have not been credited? Be aware that payments made at a PayPoint may take up to 48 hours to appear on the school's account.

**Check 3:** Has the parent made contact?

**Check 4:** Has a Payment Plan been offered/set-up?

**Check 5:** Is the register correct? Check paperwork.

**Action 5:** Involve outside agencies and refer to small claims court if necessary

**Payment Plan**

If payments agreed in the Payment Plan (sufficient enough to cover the ongoing weekly costs and payoff past debts for all services) are made on time, the service provision will continue. If regular payments are not made, the service will be withdrawn.

**Waiving of Debts**

The waiving of debts is at the discretion of the Executive Principal and the Chief Operating Officer. A debt may be waived when it is believed the debtor is experiencing serious financial hardship. Please contact the school if you feel this applies to you.

**Local conditions statement**

This policy is to be adopted across The White Horse Federation and should be complied with by all schools.

**4. Monitor and Review**

**4.1. Review process**

The Trust will review the content of this policy on an annual basis in line with its policy review process.

The Policy owner will make and consult on any changes. These will be ratified by a designated Senior Leadership Team member or CEO.

Changes will be updated on the Trusts website.

## APPENDIX 1

### Reminder 1 - Sent home with child

Parent or carer of A Child

#ADDRESS LINE 1#

#ADDRESS LINE 2#

#ADDRESS LINE 3#

#ADDRESS LINE 4#

#PSC#

#### Date:

Our records show that you have not paid #service# 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. Once the balance is cleared, please ensure the account is always kept in credit. You have two ways to pay:

1. In the secure online payment system ParentPay, using the login already provided, go to [www.parentpay.com](http://www.parentpay.com) N.B THIS IS OUR PREFERRED PAYMENT METHOD Your username and password are:
2. You can also request a PayPoint card which allows you to take it with cash into your local PayPoint store.

No matter how you pay you can check your account balance anytime by logging into your ParentPay account at: [www.parentpay.com](http://www.parentpay.com).

**(Amend as appropriate)** The cost of a school meal is £#.## per day - £##.## 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

#NAME#

Senior/Pupil Services Officer

## APPENDIX 2

### Reminder 2 – Sent in post

Parent or carer of A Child

#ADDRESS LINE 1#

#ADDRESS LINE 2#

#ADDRESS LINE 3#

#ADDRESS LINE 4#

#PSC#

#### Date:

Our records show that you have not paid #service# money for your child – **Child's name and class** 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. Once the balance is cleared, please ensure the account is always kept in credit. You have two ways to pay:

1. In the secure online payment system ParentPay, using the login already provided, go to [www.parentpay.com](http://www.parentpay.com) N.B THIS IS OUR PREFERRED PAYMENT METHOD Your username and password are:
2. You can also request a PayPoint card which allows you to take it with cash into your local PayPoint store.

No matter how you pay you can check your account balance anytime by logging into your ParentPay account at: [www.parentpay.com](http://www.parentpay.com).

**(Amend as appropriate)** The cost of a school meal is £#.## per day - £##.## per week.

**(Amend as appropriate)** Since non-payment for #SERVICE# affects the quality of service we offer to the children, 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/allow your child to attend #SERVICE#. You will need to make #your own arrangements for your child's lunch/alternative child care arrangements#.

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

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

Yours sincerely

#NAME#

Principal

### APPENDIX 3

#### Reminder 3 – Sent “signed for” post

Parent or carer of A Child

#ADDRESS LINE 1#

#ADDRESS LINE 2#

#ADDRESS LINE 3#

#ADDRESS LINE 4#

#PSC#

**Date:**

#### FINAL REMINDER

Our records show that you still have not paid #service# money for your child – **Child’s name and class** despite two previous written reminders.

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

Sending reminders and calling parents to chase payments takes up valuable time and resources. Parents who are experiencing difficulty with payment or who are eligible for Free School Meals for this academic year and have not already applied should contact the school office straight away.

Please arrange for this debt to be paid immediately or, if this is not possible, please contact the school office to arrange a payment plan otherwise The White Horse Federation’s Business Team will escalate the process to recover the debt.

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

If you have already paid the outstanding amount by the time, you have received this reminder, please disregard this letter and notify the school office with details of your payment.

Yours sincerely

#NAME#

Director of Finance