



FAIRISLE JUNIOR SCHOOL

DEBT MANAGEMENT POLICY

Debt Management - Background

The Fairisle Junior School Debt Management Policy has been adopted by the governing body to ensure that there is a consistent and fair approach to debt incurred by parents/carers.

This policy applies to all members of our school community:

- ✓ Fairisle Junior School is fully committed to ensuring that the application of this Debt Management Policy is non-discriminatory in line with the UK Equality Act (2010).
- ✓ Fairisle Junior School seeks to implement this policy through adherence to the procedures set out in the rest of this document.

The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.

This policy sets out the procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable.

Payment should be obtained as and when goods/services/facilities are provided wherever possible; in particular, where the value of goods and services is relatively small, i.e. less than £50.

Where payment is not received at the time the goods/services/facilities are delivered, an invoice must be raised as soon as possible, but normally within 7 days of the goods/services/facilities being provided. Invoices should state that the bill is due and payable at the invoice date.

If no payment is received within 30 days from date of issue of the invoice a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where only part of the debt has been settled, a final reminder for the balance outstanding should be issued 21 days from the issue of the invoice. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where a debtor requests permission to settle the debt by instalments and extend the normal terms and conditions of supply they must submit an application to the Headteacher in writing explaining the reasons for their inability to meet the original contract terms. The Headteacher will agree the revised terms, which must not exceed 49 days from the date of issue of the invoice. If the debt is not settled within the terms set by the Headteacher then a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

At each meeting of the Governing Body, the Headteacher is required to inform the Governors of any debt which is still outstanding after the 14 day period following the final reminder, together with any proposed action: This may be a referral to the city finance team or solicitors for legal action, a debt collection agency or to write-off the debt if there is no realistic prospect of debt recovery being successful, or if further action is not cost-effective.

Small outstanding debts of up to £50 may be written-off by the Headteacher provided that the appropriate follow-up actioned outlined above has been taken and the details of the debtor, amount written-off and the reason for no further action being taken is reported to the next available governing body for information at their next meeting.

Write-off of outstanding debt in excess of £50 must be approved by the Governing Body following submission of details of the debt by the Headteacher together with reasons for no further action being taken.

A write-off must not be communicated to the debtor. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records.

Individuals or organisations that have previously defaulted on payments to the school are not allowed credit facilities.

Where a debtor's payments are regularly or consistently paid outside the terms of supply the Headteacher will consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities at the time they are consumed.

Provision of School Meals

The Schools Kitchen is no different to any other business in that meals have to be paid for by someone. Free School Meals are available for parents who meet certain criteria including the receipt of state benefits. Anyone who may qualify for Free School Meals should contact the school office for further information. Free School Meals are a statutory right and it is important that all parents/carers who qualify take up their child's entitlement so that they can receive a School meal each day.

Information on the entitlement to free school meals and an application form can be found on the City Council's website:

<https://www.southampton.gov.uk/schools-learning/in-school/school-meals/free-school-meals.aspx>

If a child's entitlement to free school meals expires or the parents'/carers' personal circumstances change the parent/carer must provide a packed lunch or send payment in advance for a school dinner.

Cost of School Meals

School meals are available to children at a cost of £2.50 per day (at September 2022) or at no cost to those in receipt of Free School Meals entitlement. School meals must be paid for in advance. Any revision to the school meal prices will be notified to parents/carers the term prior to the new charge taking effect.

Payment for School Meals

Parents should send payment in a sealed envelope clearly marked with their child's name and class number, and amount enclosed. This payment should be placed in the letter box in reception. The School must ensure that all dinner money collected is banked in a timely manner in accordance with the School's Financial Regulations which are periodically inspected by audit.

Management of School Meal Debts

The Governors consider the fairest system to all families is to pursue a 'Zero Tolerance' approach to school meal debt. Although, this may seem harsh to some parents it is important that the school budget is spent for the benefit of all our pupils and not a small number.

If a child arrives at school without a packed lunch or payment, or if a child's entitlement to free school dinners has ceased, the School will telephone/text the parent/carer in the first instance to establish if alternative arrangements have been made.

When a child has failed to produce dinner money the school may allow a meal to be provided where it is felt that this is a temporary situation. e.g. Lost or forgotten dinner money, temporary hardship etc. however details should be recorded in writing and a record maintained and monitored.

If a child takes a school meal which has not been paid for, a letter/text detailing how much is owed will be sent to the parent/carer requesting payment directly to the school within 7 days. The same process will be used if a cheque is not honoured by the bank. Prompt action will be taken to address any debt issue at an early stage in order to prevent arrears amassing.

Where a child continues to require meals, the School must establish if the child is entitled to free school meals, or if the parent/carer is experiencing hardship which affects their ability to pay. Under these circumstances the parent/carer should be invited to apply for free school meals or speak confidentially to the Head Teacher.

When the debt exceeds £10 for a *child or family*, a formal letter must be sent to the parent/carer informing them to provide their child/children with a packed lunch to prevent further arrears. If the child/children is/are not provided with the requested packed lunch and the parent/carer cannot be contacted, the School will provide a sandwich and a drink only.

If the debt exceeds £30 for a family and/or action proves unsuccessful in securing dinner money arrears, the School should inform the local Safeguarding Team and

formally write to the parent/carer, explaining that the School is not obliged to provide a school dinner where advance payment is not forthcoming or where authorisation for free school dinners has not been received.

Monitoring and Recovery of School Meal Debts

At each meeting of the Governing Body, the Headteacher will provide Governors with details of the current position with regard to such debt. The aim of the School's dinner money policy is to minimise the opportunity for debt balances to build up and incurring costly referral to the School's solicitors. The School does however, reserve the right to begin legal proceedings to recover outstanding school meal debts and inform the local authority that a child is not being provided with a suitable meal at lunch time.

All Write-offs of outstanding debt must be approved by the Governing Body following submission of details of the debt by the Headteacher together with reasons for no further action being taken.

Adopted by the Governing Body

Date: October 2022

This policy will be reviewed in October 2024, or as legislation/need requires.