



# **Alsager Highfields Foundation Primary School**

## **Bad Debt Policy**

**IT IS RECOGNISED THAT ALSAGER HIGHFIELDS SCHOOL HAS A RESPONSIBILITY TO ENSURE THAT DEBTS IN RELATION TO SCHOOL MEALS OR OUTSIDE USERS DO NOT MOUNT UP.**

**SCHOOL MEALS**

The school should try to ascertain the reason for non-payment and enquire whether the family is eligible to receive Free School Meals. If so, the parents should be encouraged to make an application to the Centralised Team for Free School Meals.

If the school is concerned about the wellbeing of the pupil at any stage in this process, they should contact the appropriate agencies (Social Services) for advice and guidance.

Throughout any stage of these processes, schools may agree a payment by instalment process with the parents that would negate the need for further action to be taken. Should that agreement then break down, the following steps will be taken.

1. Parent fails to pay for pupil's school meals and this continues for a 2 week period.
  - a. School will continue to ask parent for payment during this period.
  - b. After 2 weeks, the school will send a letter on school headed notepaper to the parent requesting that payment be made forthwith and within 7 days. The letter can state that failure to comply with this request may head to the school stopping meals to the pupil.
2. Parent continues not to pay for pupil's school meal for a further 7 day period (3 weeks outstanding in total).
  - a. A second letter to be sent by the school on school headed notepaper stating that failure to pay within a further 7 day deadline, may lead to more formal procedures being invoked and reiterate that the school reserves the right to stop providing the pupil with a school meal.
  - b. Under these circumstances, meals would have continued to have been provided for the 3 week period.
  - c. The total debt at this point would have been approximately £33 (per child – per family, it could be significantly more).
3. Parent continues not to pay for pupil's school meal beyond the 3 week period and after the second letter has been sent.
  - a. The school should wait the further 7 day deadline for the second letter (now 4 weeks in total) and then request the Income section at Cheshire East Council to raise an external invoice. The school should send to Income section a copy of a letter to accompany the external invoice to the parent. The letter would also state that no further school meals will be provided by the school.

The parents should provide an adequate packed lunch for the pupil. School meals will be reinstated when outstanding payment has been settled. If a packed lunch is NOT provided by the parents, the matter may be referred to Social Services by the school if this situation continues for a further week.

- b. Income will now take any subsequent action on this invoice.
  - c. If the debt continues, a schedule of 'bad debts' may appear and if non-payment is confirmed, the school will need to decide whether to 'write off' the debt (they would stand the cost) or whether to ask CEC to take legal proceedings against the parents. CAREFUL CONSIDERATION WOULD NEED TO BE GIVEN TO THIS BEFORE REACHING SUCH A DECISION.
4. Procedure should non-payment continue during the period after an external invoice has been sent and possible legal proceedings are initiated.
- a. The pupil will have continued to have received meals without payment.
  - b. The school will need to instruct Income section at CEC to issue a further external invoice when the debt reaches £50 per child.
  - c. SCHOOLS WOULD NEED TO CONSIDER VERY CAREFULLY THE REASONS FOR CONTINUING TO PROVIDE A SCHOOL MEAL UNDER SUCH CIRCUMSTANCES.

### **RESIDENTIAL TRIPS AND OTHER EXPENSES**

1. Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. Chasing letters will be sent subsequent to the payment not being received for one month after the event/payment was due.
2. Where the payment is not received one month after the event/payment was due, an invoice will be raised for immediate payment.
3. All debts will be recorded and non-payment will be followed up by issuing reminders as outlined below. Where a service is being provided, this will cease immediately and the debtor will be informed of this in writing. The service will not be reinstated until the debt is cleared and payment or future services are made in advance.
  - 3 weeks from date of invoice – 1<sup>st</sup> reminder
  - 6 weeks from date of invoice – 2<sup>nd</sup> reminder
  - 9 weeks from date of invoice – final reminder

The final reminder will be sent by recorded delivery and threatens legal action if the account is not settled within 14 days.

## **BAD DEBTS BY OTHER PARTIES THAT HAVE BEEN INVOICED**

1. A bad debt occurs when an invoice is not paid within 28 days
2. Should the debt continue to be outstanding for a further 14 days, the Bursar will inform the Headteacher who will negotiate for its payment.
3. If the debt remains and is less than £25, the Headteacher, with the consent of the Chair of Governors, will cancel, replace or write-off the debtor's account. Any bad debt above this amount will be discussed at the next full governors meeting and appropriate action will be agreed.
4. The write-off of bad debts will be reported to the governing body with full explanation of the reasons for the write-off.

## **BAD DEBTS BY ONGOING USERS OF SCHOOL PREMISES AND FACILITIES**

eg Community Sports Providers

1. A bad debt occurs when an invoice is not paid within 28 days.
2. Should the debt continue to be outstanding for a further 14 days, the Bursar will inform the Headteacher who will negotiate for its payment.
3. The Headteacher will convene the members of the SLT to decide on the appropriate course of action. This may include a review of the suitability of the provider.

**This Bad Debt Policy in respect of Alsager Highfields Primary School has been discussed and adopted by the Governing Body**

**Chairs of Governors: Mrs Suzanne Ellis**

**Head Teacher: Mrs Philip Whiston**

**Agreed at the meeting of the Resources Committee on: 9<sup>th</sup> November 2017**

**Ratified at the meeting of Full Governing Body on: 29<sup>th</sup> November 2017**

**To be reviewed November 2020**