



Cheadle Village Primary School

Debt Recovery Policy

Agreed and adopted by the Governing Board

Date agreed: March 2025

Date of review: March 2026

1. Introduction

Cheadle Village Primary School will take all reasonable measures to collect any 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 sent out in the Scheme for Financing Schools and any other legal requirements. In particular:

- The decision to write off any debt, if it proves to be irrecoverable, must be made and minuted by the Governing Board. It cannot be delegated.
- The formal agreement of Stockport Local Authority's Director of Finance and Resources 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.
- A formal record of any debts written off will be maintained and this will be retained for 7 years.

2. Acceptable 'Credit Period'

Invoices

In general, payment for all goods and services supplied by the School should be collected in advance or at least within 30 days upon receipt of an invoice.

School Lunch

Payment for school meals is made via ParentPay and should be paid in advance of the school meal being ordered. We recommend that a credit balance is maintained at all times.

Should the parent/carer fall into arrears and fail to make a payment for more than two weeks, a letter will be sent advising the parent/carer that their child will no longer be entitled to a school lunch and that they should send their child to school with a packed lunch.

Residential Visits

Payments for residential visits are made via ParentPay. A payment schedule is set up at the launch of the visit and all parents are asked to sign and agree to the instalment dates and amounts. All deposits are not-refundable as per the terms of the provider. The total balance must all be cleared prior to the visit taking place, failure to make payment in full may result in the child being removed from the visit.

3. Reporting of Outstanding Debt Levels

The Headteacher/School Business Manager 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.

4. Debt Recovery Procedures

Where payment from the parent/carer has not been received within the above acceptable credit period, the following process should be applied:

- **First Reminder Letter**

An initial reminder email or letter will be sent home requesting the account to be credited within 7 days.

- **Second Reminder Letter**

For dinner money, if no payment has been made for two weeks, or the school dinner money debt exceeds £25.00, a second email or letter will be sent home requesting that the debt is cleared or they will have to provide their child with a packed lunch until the debt is repaid.

For residential visits, a second email or letter will be sent home requesting that the payment is made.

- **Third (Final) Reminder Letter**

If no payment has been made for one month, letter 3 will be sent home advising that this is a 'Final Reminder' and payment must be received immediately or Stockport Council's Legal Service will be contacted.

Transfer of Debt

The School, in some circumstances, may transfer the debt to siblings where appropriate.

4a. Staff Debt Recovery Procedure

Staff debts can accumulate from staff school lunches that they have taken. All payments must be made via ParentPay. A standard ParentPay letter will be put in their register on a Monday, advising of the debt.

If, by the following Monday, the debt is still outstanding the same letter will be handed to them in person in the strictest of confidence and a school lunch will not be provided until the debt is paid in full.

A final letter will be hand delivered to a member of staff before the end of their employment advising that their debts will be deducted from payroll.

5. 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.

If a debtor requests for 'repayment terms', these may be negotiated at the discretion of the Headteacher/School Business Manager. A record of all such agreements entered into will be retained.

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 a 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

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/School Business Manager will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and in future will be required to pay in advance.

However, if people are unable to pay, the School may reduce or cancel a debt in certain circumstances. If it has been decided to reduce or cancel a debt, further 'credit' will not be permitted.

Letter One

I am writing to remind you that according to our records you have arrears on your child's school lunch account. In order for your child to continue to receive a school lunch, it is important to keep your account in credit.

Our records show that for your child FORENAME/SURNAME

Class:

Your debt is:

Please arrange for this to be paid within the next 7 days.

If you have any queries regarding these arrears, or if you have difficulty making the payment, please contact the School Office to discuss this further.

Letter Two

Our records show that you have still not made payments on your child's school meals account for your child FORENAME/SURNAME.

As a result, until the school meal debt is brought up to date, you will need to provide your child with a packed lunch.

As at DATE your account is showing a debt of BALANCE.

Please arrange for this money to be paid immediately or contact the School Office to arrange a payment plan.

Please make the payment via ParentPay, using the login already provided:
www.parentpay.com

If you have any queries regarding these arrears, please contact the School Business Manager on 0161 4285026.

Letter Three – Final Reminder

It has been brought to my attention that despite numerous reminders, there is still an outstanding balance on your child's school meal account for FORNAME/SURNAME, CLASS.

As at DATE, your account is showing a debt of BALANCE.

Please arrange for this money to be paid by DATE at the latest. If you do not clear your outstanding balance or you have not contacted the school to arrange a payment plan within the next 7 days, the council's legal services will be contacted.

Once the debt is cleared, your child can resume having a school meal.

Please make the payment via ParentPay, using the login already provided:

www.parentpay.com

Your username and password are:

USER NAME

PASSWORD

If you have any queries regarding these arrears, please contact the School Business Manager on 0161 4285026.

Payment Plan Template

Dear.....

Following our conversation regarding the outstanding debt for £XXXX, please find below the repayment schedule in order to clear your account.

Balance outstanding £XXXX

Repayment week commencing XXXXXX, £XXXX

Repayment week commencing XXXXXX, £XXXX

Repayment week commencing XXXXXX, £XXXX

Repayment week commencing XXXXXX, £XXXX

Can you please sign and return one copy of this letter showing agreement to the proposed repayment schedule.

Repayments need to be made via ParentPay.

Until the outstanding debt is cleared, you will need to provide a packed lunch for your child.

If you need to discuss this matter further, please do not hesitate to contact the School Business Manager on 0161 4285026.