



Debt Recovery Policy

The effective management of debt is important to the success of any school. The Headteacher and Governors of Osidge School have a duty to ensure effective use of the school budget to raise standards and maximise the achievement of pupils.

Therefore, the school will actively pursue the collection of monies owed to it.

As the pupils are not adults, the parents/carers of the pupils are jointly and severally liable for all monies owed.

The Business Manager and Finance Officer are required to ensure that:

- From September 2017, the school's Prepayment policy is in operation.
- All invoices outstanding are accurately recorded and maintained.
- There is documentary evidence of all the steps undertaken by the school to recover the debt. This includes recording dates that invoices, balances due and statements were distributed, as well as dates of all communications relating to the debt, whether by email, telephone, post or in person.
- For all outstanding debts, a final statement (marked final notice) will be issued to all persons liable for the charge. This statement must state 'further action will be taken if this account remains outstanding after a period of no less than 7 days'

The Governing Body must:

- Consider the arrangements for debt recovery
- Recommend the maximum level of debt any family should be allowed to accrue not to exceed £500
- Approve the school undertaking legal action or the instruction of debt collection agencies
- Include in the minutes of the Governing Body or Finance, Staffing & Resources committee their approval to pursue any outstanding debt
- As far as they are able, ensure the anonymity of the family involved is preserved at all times

4. Pursuance of the debt:

- The school will pass on to the debtor any costs incurred in pursuing the outstanding debt
- The debtor will be given appropriate notification and time to pay the outstanding debt
- Send the debtor, as a minimum, a final statement, which in turn states that this is the final notice and that further action will be taken
- The school will try to negotiate a mutually satisfactory repayment plan between the debtor and the school.
- Further debt cannot be incurred until settlement of monies owed, except in the case of severe hardship and at the discretion of the Headteacher.
- The school will employ external debt collection agencies as necessary in pursuing the recovery of the debt.

5. Waiving of Debt

- The Headteacher, in his/her sole discretion, can waive or reduce the debt, where it is believed that the debtor is experiencing financial hardship up to £100.
- A debt may be written off by resolution of the Governing Body on the recommendation of the Headteacher.
- Any action related to an outstanding debt or waiving/reducing the debt should be dealt with confidentially between the debtor and the Headteacher

Ratified at the Finance, Staffing and Resources meeting – 22 June 2017

To be reviewed June 2018

