

DEBT RECOVERY POLICY

Last Reviewed: Feb 2019
Next Review date: Sept 2019

Introduction:

The Arden Forest C of E Multi Academy Trust (MAT) has a responsibility to ensure that appropriate procedures are in place to enable the Academies within the MAT to receive all income to which they are entitled. The Academies within the MAT will therefore take all reasonable measures to collect any monies owing to them as part of the management of public funds. It is acknowledged that collecting payment from parents or carers is a sensitive area; we deal with issues of debt collection with sensitivity and confidentiality at all times.

Aims and Objectives:

The Arden Forest C of E MAT's Debt Recovery Policy will observe the relevant financial regulations and guidance set out in the *Schemes for Financing Schools* and any other legal requirements. The aims of which are:

- To make sure there are sound and proper financial and accounting procedures in each Academy for dealing with each Academy's finances;
- To ensure that proper controls are in place;
- To provide a clear framework for managing school finances;

Procedures:

The following procedures will be employed for all outstanding debts (of 14 days or longer):

- Stage 1: A reminder (by telephone, text or in person);
- Stage 2: If the debt is still outstanding after 28 days, a formal letter (sent via pupil bookbag or post)
- Stage 3: A second formal letter (by post)
- Stage 4: Where the debt is not cleared, Legal Services will begin the recovery process.

When all practical and cost-effective procedures have been exhausted by Legal Services, the Chair of Governors/Chair of Finance Committee of the relevant Academy will notify the Local Governing Body of the amount of the debt that is considered to be irrecoverable and consider if this debt should be written off according to procedures set out in the MAT Scheme of Delegation, which are:

- Local Governing Body – Up to a value of £249.99
- Chief Executive Officer – £250 up to a value of £2499
- Full Trust Board – Over £2500 (over £45,000 requires Secretary of State approval).

Writing off a debt will lead to an additional unbudgeted cost on the relevant Academy's account.

The relevant bodies (according to the MAT Scheme of Delegation), must:

- approve the writing off of any debt in relation to their individual budgets;
- take into account their review of the age and size of the debt together with the advice from Legal Services.

Dinner Money:

Payment for school meals should be made in advance. Payments are recorded and reconciled by the administrative staff. If the level of debt is in excess of £20, Stage 1 of the procedures will be implemented (listed above). After Stage 3 of the procedure has been implemented (listed above) then a further letter will be sent advising parents that their child will no longer be entitled to a school meal or snack and that parents are required to send their child with a packed lunch. Every effort will be made by the relevant Academy to make personal contact with the parent(s)/carer(s) to ascertain whether financial difficulties are present and then advise accordingly. All reminders (copies of emails, letters, record of verbal reminders) will be kept on file.

Photographs:

School photographs are a source of funding for each Academy in the MAT. Parents pay the photography company directly for photograph orders. The relevant Academy earns commission on all photograph sales. This commission is paid into the relevant Academy fund and contributes towards the cost of pupil-based activities.

Residential Trips:

All children in KS2 have the option to attend a residential trip in each phase. Parents are notified of the cost in advance and are given the opportunity to pay in

instalments should they wish. Payment must be received in full by the date specified, at least 5-10 working days before the departure date.

After School Clubs:

All children in KS1 and KS2 have the opportunity to attend after school clubs. Most of these clubs are provided by approved third parties, who require payment in advance of allocating places. Parents are notified of the opportunity for their child to join a club at the beginning of each term, as well as the cost, dates and times of the clubs.

Lettings:

Contracts for lettings of Academy facilities within the MAT premises will be drawn up as necessary between the relevant Academy and the applicant. Charges will reflect the Academy's costs for energy, water, lighting and opening up and closing of the school. Please see the Arden Forest C of E MAT *Lettings Policy* for further information.

Implementation, Monitoring and Review of Outstanding Debts to Academies within the MAT:

Day-to-day implementation of the procedures is carried out by the Headteacher. They will present a report to the local governing body of any outstanding debts and explain the procedures followed to date and procedures which need to be followed.