Hillcross Primary School

Debt Recovery Policy

Mission, Vision and Culture

Think, Nurture, Thrive and Be Proud!

Our ambitious and child-led curriculum combined with our outstanding practice creates opportunities for all children to achieve success and meet their full potential, both personally and academically. As a nationally recognised Thinking School and a Rights Respecting Gold School, we nurture an empathetic community of creative, respectful, curious and independent thinkers and provide opportunities for our children to develop their unique talents and skills. We pride ourselves in our dedication to fostering positive wellbeing, celebrating diversity and promoting a culture of environmental awareness and responsibility.

Through our school culture of Collaboration, Consistency, Challenge and Celebration, and by promoting the values of Aspiration, Courage, Honesty, Respect and Responsibility, we empower a resilient school community of compassionate, responsible global citizens, committed to making the world a better place.

1. Introduction

The school's governing body has a responsibility to ensure that appropriate procedures are in place to enable the school to receive all income to which it is entitled. Hillcross Primary School will therefore take all reasonable measures to collect monies owing to it as part of the management of public funds.

Preventing debt

The school will take the following steps to minimise the risk of debt accruing:

- Clear communication - We will clearly communicate payment deadlines and amounts in all letters and communications
- Payment in advance - Wherever possible, we will request payment in advance for trips, activities, and services
- Online payment system - We encourage all parents to use our online payment system (My Child at School/Bromcom) which allows you to see balances and make payments easily
- Regular reminders - We will send regular reminders about upcoming payment deadlines
- Early intervention - We will contact families as soon as a payment becomes overdue to resolve issues quickly
- Support for families in hardship - We will proactively offer support to families we know are experiencing financial difficulty, including information about our Charging and Remissions Policy and eligibility for free school meals and Pupil Premium

Collecting payment from parents or carers is a sensitive area; we will deal with issues of debt collection with sensitivity and confidentiality at all times.

This policy should be read in conjunction with the school's Charging and Remissions Policy, which sets out what the school will and will not charge for, and the circumstances in which charges may be remitted.

2. General requirements

The school's debt recovery policy will observe the relevant financial regulations and guidance set out in the Scheme for Financing Schools 2025-26 and any other legal requirements. In particular:

Debts can only be written off when they are deemed to be unrecoverable or uneconomic to recover. Governing bodies are authorised under the terms of this scheme to write off debts for individual amounts not exceeding £2,000. The head teacher is authorised to write of debts of up to £100.

Any writing off of a debt must be formally recorded in the minutes of the governing body. The amount of any debt written-off will be borne by the delegated budget of the school to which the income would have been due. All write-offs must be correctly recorded in the accounts, by reversal of the original income transaction by the school.

All documentation relating to the original debt, the recovery process and its write-off and approval is retained by the school and stored in the Finance Drive for auditing purposes. No property that has been written-off can be sold or otherwise disposed of.

For any amount greater than £2,000, the Executive Director of Children, Lifelong Learning and Families must be consulted.

In general payment for all goods and services supplied by the school should be collected in advance or 'at the point of sale'. 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.

3. Acceptable 'credit settlement period'

The Governing Body have determined that the length of time they deem an acceptable 'credit settlement period' before the formal debt recovery procedures are applied may vary between different income generating activities but in order to ensure a consistent approach and demonstrate transparency, debt recovery procedures will be initiated for all outstanding debts of 7 days or longer.

4. Debt Recovery Procedures

When corresponding with parents, the maximum period that the school regards as reasonable before payment is overdue should be clearly stated, for example contributions for a school trip should be received by date/month/year or payment for items purchased should be sent to the school office by date/month/year.

Where payment from the parent/guardian has not been received in advance, or 'at the point of sale', and a debt has accrued, the following process should be applied. Please note, the timescales below apply to most debts. The Headteacher may vary these timescales depending on the nature and size of the debt, and the individual circumstances of the family.

a) Informal reminders (usually a verbal conversation followed up via email) and the date recorded.
b) A formal reminder letter will be issued 2 weeks after the informal reminder (via email or post). If action is to proceed further, it will be necessary to prove that all reasonable attempts have been made to recover the debt, and that these attempts have been made in a timely manner, i.e. at the time that the debt first became overdue.
c) A second formal reminder letter (signed for) will be issued 1 week after the first reminder letter.
d) A third letter informing the debtor that the matter will be referred to the Council's Legal Services section will be issued 2 weeks after the second reminder letter.

Extended services (breakfast club, after-school clubs, paid nursery places)

Payment for extended services must be made in advance. We operate a strict payment-in-advance policy for these services.

If payment is not received in advance:

- We will contact you to request immediate payment
- If payment is not received within 2 working days, we will give you 3 days' notice that your child's place will be withdrawn
- In exceptional circumstances (e.g., safeguarding concerns), the Headteacher may agree to continue provision while a payment plan is agreed

Re-accessing services after withdrawal:

- Once the outstanding debt is cleared, your child may re-access the service
- Future bookings will require payment in advance

Details of all reminders, whether verbal or in writing, should be maintained, including the date it was made. Where a letter is issued, a copy must be retained on file. At the discretion of the Headteacher the debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to them. This decision and its basis will be recorded and reported to the Business Committee.

5. Negotiation of repayment terms

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the first 'overdue payment' reminder. If a debtor requests for 'repayment terms' these may be negotiated at the discretion of the Headteacher/Business Committee. A record of all such agreements entered into will be retained.

However, if people are unable to pay, the School may reduce or cancel a debt in certain circumstances. A sensitive approach to debt recovery will be carried out, taking the following factors into account:

a) Hardship: where paying the debt would cause financial hardship.
b) Ill health: where our recovery action might cause further ill health.
c) Time: where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.
d) Cost: where the value of the debt is less than the cost of recovering it.
e) Multiple debt: where someone owes more than one debt to the School. In this situation an attempt to agree on 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/Business Committee will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will, in future, be required to pay in advance. This decision and its basis will be recorded and reported to the Business Committee.

6. Costs of debt recovery

Where the school incurs material additional costs in recovering a debt then the Headteacher/Business Committee will decide whether to seek to recover such costs from the debtor. The debtor will be formally advised in writing that they will be required to pay the additional costs incurred by the school in recovering the debt. This decision and its basis will be recorded and reported to the Business Committee.

7. Bad debts

Hillcross Primary School

This debt recovery policy should be cross-referenced to the Scheme for Financing Schools. Outstanding debt of up to £100 may be written off by the Headteacher provided that appropriate debt recovery actions have been taken and a record of the write-off and the reason for it is reported at the next Business Committee meeting. Write-off of any debt above £100 requires the written approval of the Business Committee up to a maximum of £1000. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

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 pay for goods/services/facilities at the time they are consumed.

Safeguarding considerations

We recognise that persistent debt may be an indicator of financial hardship or other family difficulties. Staff should be alert to potential safeguarding concerns, including:

- Children arriving at school without appropriate equipment, uniform, or food
- Families struggling to afford basic necessities
- Children's wellbeing being affected by financial stress at home

Where debt recovery processes identify potential safeguarding concerns, the Designated Safeguarding Lead will be informed and appropriate support offered to the family, which may include:

- Referral to early help services
- Signposting to local support services (food banks, Citizens Advice, etc.)
- In serious cases, referral to children's social care via the MASH team

8. Monitoring and Reporting of outstanding debt levels

The School Business Manager and Headteacher will:

- Review outstanding debts fortnightly with the Finance Officer who provides a report showing:
    - Total value of outstanding debt
    - Breakdown by type (school meals, trips, clubs, etc.)
    - Age of debts (0-30 days, 31-60 days, 61-90 days, 90+ days)
    - Number of families with outstanding debt
    - Action taken to recover debts
    - Any debts recommended for write-off

The Headteacher will:

- Authorise write-offs up to £100
- Identify any debts requiring Business Committee approval

The Business Committee will:

- Review a debt report termly
- Approve write-offs between £100 and £2,000
- Monitor the effectiveness of debt recovery procedures
- Review this policy annually

9. Equality Impact Assessment

Under the Equality Act 2010 we have a duty not to discriminate against people on the basis of their age, disability, gender, gender identity, pregnancy or maternity, race, religion or belief and sexual orientation. We are committed to treating all members of the school community fairly and challenging negative attitudes about disability and accessibility and to developing a culture of awareness, tolerance and inclusion. This policy has been equality impact assessed and we believe that it is in line with the Equality Act 2010 as it is fair, it does not prioritise or disadvantage

any member of the school community and it helps to promote equality and accessibility at our school. The curriculum is planned to be inclusive and meet the needs and interests of a full range of learners. Activities and resources will be differentiated and adult support used to ensure that children access the curriculum and make the best possible progress.

10. Safeguarding Commitment

The school is committed to safeguarding and promoting the welfare of children, in line with the most recent version of Keeping Children Safe in Education, and expects all staff and volunteers to share this commitment. We take seriously our duty of care to our pupils and staff which includes safeguarding them from the risk of being drawn into terrorism - this includes not just violent extremism but also non-violent extremism, which can create an atmosphere conducive to terrorism and can popularise views which terrorists exploit. We work closely with social care, the police, health services and other services to promote the welfare of children and protect them from harm. Radicalisation is recognised as a specific safeguarding issue and is addressed in line with the Government Prevent Strategy and The Counter-Terrorism and Security Act 2015.

11. Privacy Policy

Hillcross School is committed to ensuring protection of all personal information that we hold. We recognise our obligations under data protection laws, which include the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018, and the Data (Use and Access) Act 2025.

Written and Approved by Business Committee: September 2016

Last Review: October 2026

Date of next review: October 2027