

Growing together, hand in hand

Debt Policy




May 2025

Audience:	Governors/Staff
Frequency of Review:	Reviewed Annually
Post-holder responsible for Review:	Co-Headteacher/Office

Introduction, aims and objectives

The school's governing body has a responsibility to have a debt recovery policy which ensures that appropriate procedures are in place to enable the school to receive all income to which it is entitled.





To ensure that the governing body complies with the Staffordshire Scheme for Financing Schools and Financial Regulations, the debt recovery policy aims to;

-  protect the delegated school budget;
-  apply this policy consistently to ensure debt is dealt with in a timely manner;
-  ensure further goods or services are not supplied to those who have not paid for items already received or used.

Parent Pay

If the school receives payments via ParentPay the school is responsible for the monitoring of payments received and where they are allocated to. Schools set up the codes for where they want funds coded to within ParentPay. The income Team receives the payments and ensures they are allocated to the correct cost centre and expense head by carrying out a journal transaction.

Funds are credited within Schools My Finance system the next working day following receipt. If a debt is accumulated on ParentPay, then a My Finance invoice can be raised to recover the debt. The outstanding amount should be removed from the ParentPay system when raising the invoice and the invoice should be clearly marked that the debtor should now be making any payment to SCC County Fund and not via ParentPay. The invoice will include the following:

-  What the service has been e.g. School Meals, Clubs, Services of Staff
-  Names of service recipients
-  Dates
-  Total amount

If a Debtor makes a payment using ParentPay when an invoice has been raised, a credit note will be raised to cancel the invoice.

The debt recovery process

At Gorsemoor Primary School, we have our own procedures in place which are used to collect income. We will chase debts via the school text messaging service, phone calls and face to face meetings.

Following the above and failure to pay a debt there is a 3-stage letter process before the debt is raised with SCC on the My Finance system where SCC payment terms will apply:



Letter 1 will be sent as a gentle reminder to clear any debts outstanding within 5 working days


Letter 2 a reminder to clear the debt within 5 working days failing this if the debt has still not been cleared within 30 working days a final letter will be issued.

Letter 3 Final letter advising that the debt will be now be passed onto the SCC Debt Recovery team

However, in the event that payment is not forthcoming then an official invoice will be raised on the County Council's finance system which will lead to the Council's debt recovery procedures as follows:

Once an invoice has been raised on My Finance, SCC payment terms are 28 days from the date of the invoice. The following automated debt recovery action is generated by the system:

-  **Outstanding after 28 + 5 days** – first reminder letter generated and issued.
-  **Still outstanding 19 days after first reminder** - final notice letter issued, and an email alert is sent from My Finance to the user who raised the invoice. Beyond this point debt recovery is undertaken by the SCC's Debt Recovery Officers



-  **33 days overdue (61 days)** – Once the debt is 33 days overdue, the debt recovery officers based in the Central Income Team will review the debt and will endeavour to contact the debtor by phone, email or letter.

The Debt Recovery officer have a number of tools at their disposal such as utilising a Visiting Officer Service and ultimately referring a debt to SCC Legal Services for recovery through the courts and will apply their judgement in determining which are appropriate.

Tax Free Childcare

If a parent is using this scheme to ensure that all income received is correctly coded to the school's accounts in a timely manner, the child's unique reference number should be forwarded to payments@staffordshire.gov.uk and office@gorsemoor.staffs.sch.uk

The following information should also be included in the email:

-  Customer Number, Child's Name, Date started on the scheme (if an invoice is being raised):
- or
-  (If no invoice is raised) Cost Centre and Expense Head, child's name, the date started on the scheme and the name of the school the child attends.

The reference numbers consist of 4 letters and 5 numbers (it is usually the first letter of the first name followed by the first 3 letters of the surname, followed by 5 numbers e.g. MADA12345). This reference number is allocated to parents when they register for the scheme on the government website.

The reference number appears in SCC Bank Account as National Savings MADA12345TFC. The code is therefore necessary for the Income Team to code or allocate payment.

Board and lodging on residential visits

The board and lodging element of a residential visit can be charged to parents/carers and they are notified of the cost in advance and are given to opportunity to pay in instalments should they wish.

Payment must be made in full before the departure date or the child may not be allowed to attend. Where payments have not been received in advance of the trip, school will contact parents/carers to discuss.

Pupils in receipt of Free School Meals (FSM)

Gorsemoor Primary School is in receipt of Pupil Premium funding for children who are entitled to free school meals. This budget is monitored throughout the year by our school Bursar and Assistant Headteachers and can be used to help subsidise school activities, visits and music tuition. Parents/Carers of pupils in receipt of FSM are requested to contact an Assistant Headteacher for further support as necessary.

Lettings

Contracts for lettings of the school premises will be drawn up as necessary between the school and the client [in line with the Charges and Remissions Policy](#).

Failure to pay on time will result in the debt being referred to the County Council for recovery.

The letting agreement will be void and the client will be refused future hires

Writing off debts

When all practical and cost-effective methods of debt recovery have been exhausted by the County Council, the school will be notified of the amount of debt that is considered to be irrecoverable.

The governing body will consider the age and size of each debt and any advice from the County Council before deciding to write off debt.