



**St Aidan's Catholic Primary School  
Academy**

**Board of Trustees**

**Debt Management Policy**

Reviewed: January 2023

## **DEBT MANAGEMENT POLICY**

### **Background**

The school has a debt policy for the collection of outstanding monies owed. If debts are incurred, then the school budget has to pay for them. This means that money which should be spent on the children's education is used to pay for debts incurred by parents. The school cannot afford to divert school education funding in support of non-payment of school meals, breakfast club, after school club, school trips or any other item or event as this would be against government and local authority directives.

The school is unable to cover the cost of non-payment of school meals or costs incurred for other events.

### **Debt Management Policy**

The school has a strict policy of **no** bad debts.

Our debt policy is to always seek re-imburement for any outstanding debt.

Meals, breakfast club, after school club, school trips and other items and events must be paid for in advance on Parent Pay. The school recognises that a child on Pupil Premium will be entitled to financial support for any of the above as outlined in the schools Pupil Premium Statement.

### **School Meals**

Payments for school meals should always be made in advance. The guiding principle is that a child should not expect a school lunch unless paid for in advance or eligible for FSM.

It is the parent's responsibility to keep track of the child's account and to ensure it does not go into debt.

Our debt policy is to always seek re-imburement for any outstanding debt.

Any pupil who has a balance outstanding which equates to a week of dinners will not be able to have a hot school lunch until that debt is cleared. The child will be given a cold sandwich charged at the normal rate until the debt is cleared.

The school will be monitoring accounts closely with the following reminders:

1<sup>st</sup> reminder - before one week in arrears the parent is reminded by text that they owe money.

2<sup>nd</sup> reminder - debt has accrued to 5 days – an email is sent from the school office outlining the details of the debt and inviting the parent to agree a payment plan. The child will be moved from hot to cold school lunches. The child will not be given a hot dinner but a cold sandwich, charged

3<sup>rd</sup> reminder - a letter is sent from the Head Teacher with an appointment to come and make a payment plan. Throughout this process our intention is that the situation is discussed amicably and the payment made without causing distress for all parties.

In the event of continual bad debts from parents the Head Teacher can elect to advise the Chair of Finance for Governor action.

Parents must clear any outstanding debt each half term, preferably by the close of the school day on the last day of the half term. If there are outstanding monies on the account, on the first day the school re-opens for the new half term, the child will be unable to have a hot school meal that day, but a cold sandwich charged at the normal rate.

### **Free School Meals (FSM)**

Provisions are available for FSM for children and this is based on government set criteria. Parents and carers may discuss their eligibility with the school office.

### **Unavoidable circumstances for school meals**

The school does accept that unusual and unforeseen circumstances may occur on a particular day whereby payment for that day cannot be made. The Head Teacher can direct the schools administrator to permit the school meal as a 'controlled' bad debt. Payment of this overdue amount must be reimbursed the next school day. If payment is not forthcoming a reminder telephone call will be made. If the debt continues to be unpaid the parent/carer will be asked to attend the school to discuss the matter.

### **Breakfast club and After School Club**

Payments for Breakfast and After School Club should always be made in advance.

Our debt policy is to always seek re-imburement for any outstanding debt.

It is the parent's responsibility to keep track of the child's account and to ensure it does not go into debt.

The school will be monitoring the Breakfast and After School Club accounts closely with the following reminders:

1<sup>st</sup> Reminder - Parent gets standard email at end of week stating that there is an outstanding debt.

2<sup>nd</sup> Reminder - If the debt has not been cleared by end of 2<sup>nd</sup> week and debt is less than £20, parent gets another email. The email should state '2<sup>nd</sup> reminder'

3<sup>rd</sup> Reminder - If debt has not been cleared by the end of the second week and the debt is greater than £20, the Breakfast club/After school Club Manager will send a formal letter (see Appendix 1). The Head Teacher is to be informed each week who has been sent a formal letter and how much the outstanding debt is.

## Appendix 1

### Breakfast /After School Club Debt

Dear ,

In line with our school debt policy I am writing to advise you that you owe the school a sum of £ for the use of Breakfast/After School Club. The school has been in contact with you but the situation has not yet been rectified. As a result, you will not be able to book a place at breakfast club without making an appointment to see me first. The breakfast and after school club policy states that these services must be paid for in advance.

If you are experiencing financial hardship and want to continue to use this service, please contact the school office to make an appointment to see me to arrange a payment plan.

Yours sincerely,

Mr Skehan

