

# Goddard Park

## Community Primary School

*An Integrated Academy and Children's Centre*



*Headteacher: Mike Welsh*

*Everybody learns, everybody cares*

## Debt and Write Off Policy

Reviewed May 2015

### Policy Statement

No debt owed to the School shall be discharged other than by payment in full or being written-off.

Debts may only be written off within the limits agreed by the Governing Body and included in the Scheme of Delegation as follows:

- The School Business Manager may write off debts from parents/carers up to £10 where a child has left the school
- Amounts between £10 and £1,000 will be referred to the Governing Body Resources Scrutiny Committee before they are written off
- Amounts between £1,000 and the delegated limit below will be referred to the full Governing Body for approval before they are written off.
- In line with the Academies Financial Handbook, the Governor Body must seek approval from the DFE for the writing off of debts of:
  - 1% of total annual income or £45,000 (whichever is smaller) per single transaction;
  - cumulatively, 5% of total annual income in any one financial year per category of transaction for any academy trusts that have submitted timely, unqualified audited accounts for the previous two financial years.

Invoices will include the requirement for payment to the School within a maximum of 28 days and will be chased after this time has elapsed.

### Action to Recover Debt

Action will be taken by the School to recover monies owed as follows:

1. The Admin Officer will send recovery letters to debtors who owe £5 or more in the first instance.
2. If no reply is received within 14 days, or the debt reaches £10, the Admin Officer will arrange for a second letter to be sent stating that the matter may be referred to our Solicitors unless the matter is settled within 7 days.

3. If this action is unsuccessful, the service being received (eg. school meals or childcare) will be withdrawn and the Admin Officer will contact the debtor by telephone and arrange a meeting to discuss the circumstances.
4. The Admin Officer will agree payment plans with debtors where the outstanding amount is less than £200 and the payment period is less than 6 months.
5. The School Business Manager will agree payment plans with debtors where the outstanding amount is between £200 and £1000 and the payment period is less than 1 year.
6. Any proposed payment plans for in excess of £1,000 and / or for a period of over 1 year will be referred to the Resources Committee for approval.

Services will be restored to the debtor once they are making regular payments on their payment plan.

Where the debt exceeds a predefined limit (i.e £30) and it has not been possible to agree a payment plan with the debtor, the matter will be discussed by the Governors Resources Committee and may be referred to solicitors for further action including, where appropriate, proceedings through the County Court under the provisions of Small Claims.

Where debts are written off, the Admin Officer will follow the policy of the governors.

The Governors Resources Committee receives and considers reports of the overall debts outstanding beyond the 28 day payment period at each of its meetings.