

TIBSHELF COMMUNITY SCHOOL DEBT RECOVERY

Ratified: Feb 23
(DCC Policy)



Statement of intent

The governing body has a duty to ensure that Tibshelf Community School receives all the funds to which it is entitled. This policy has been created to ensure the appropriate procedures are in place to deal with debts and the recovery of assets.

It encompasses all debts owed to the school including, but not limited to, payments for goods, services, school trips.

Debts relating to school meal payments are covered in a separate policy.

Parents should be made aware of, and given access to, this policy and the school's debt recovery procedures. It will be included on the school's website and made available to view at the school on request.

1. The principles

1. The governing body will not write off any debt which exceeds £500, unless the cost of doing would exceed the value of the monies to be recouped.
2. The school will not write off any debts owed by the local authority (LA).
3. A full record will be kept of debts owed to the school for 7 years. This will include all letters requesting money, reminders and invoices.
4. The school will not initiate legal action to recover debts. However, we will refer uncollected debts to the local authority to consider such action.

2. Roles and responsibilities

1. The Headteacher and Assistant Head (Resources) will ensure that:

- Letters requesting money are accurately recorded and those records maintained.
- Evidence of the steps taken by the school in pursuance of debt is recorded, including dates and times of both letters and phone calls.
- A final reminder is sent by recorded delivery to the debtor after 6 months.
- Family cases will be judged fairly and according to the circumstances of the family involved.
- The privacy of the family involved will be respected and they will only be made known to those who need to know.
- The level of outstanding debt can be determined at any time.

2. The governing body:

- Will prescribe and regularly review the arrangements for debt recovery.
- Must approve any legal action taken.
- Record approved actions in the minutes of the relevant meeting.
- Will adhere to the privacy arrangements.
- Will delegate its responsibilities under this policy to the Resources Committee.

3. The process for pursuing debts

1. **Informal reminder:** The debtor will be informally reminded, in person, by email or by telephone, that they owe money to the school.
2. **First reminder letter:** If the debt is yet to be paid four weeks after an informal reminder, a formal letter will be sent to the debtor.
3. **Second reminder letter:** If the debt is yet to be paid four weeks after a first formal reminder, a second formal letter will be sent to the debtor. These letters allow the debtor every opportunity to settle their debt and ensure the school can prove all reasonable steps have been taken to recover the debt should the issue proceed further.
4. **Final reminder letter:** If no response is received following the second reminder after four weeks the school will send a letter to the debtor advising them that they will be referring the matter to the local authority to consider legal action. This letter will be sent by recorded delivery to ensure the debtor has had every chance



to respond. At this point, at the discretion of the governing body, the debtor may be advised that they will have to pay in advance for certain services in the future, if relevant.

5. **Possible legal action:** At this juncture, the appropriate body will decide whether to take legal action against the debtor.

4. **Waiving of debts**

1. The waiving of debts is at the discretion of the headteacher and the governing body. A debt may be waived when it is believed the debtor is experiencing serious financial hardship, or if all reasonable avenues to recover the debt have been exhausted and it is believed it would not be cost effective to pursue the debt through legal action.
2. The headteacher is authorised to waive debts of up to £100.
3. Debts between £100 and £500 will only be waived with the approval of the governing body.
4. Debts of £500 or more will never be waived, unless the cost of pursuing them exceeds the value of the monies to be recouped.

