

St. Matthew's Catholic Primary School

Debt Management Policy



**Written: November 2021
Date of Review: June 2025
Lead: Mrs Sime / Mrs Chamberlain**

Purpose

This policy outlines the school's procedure for managing arrears relating to school dinners, breakfast club, and after-school club fees. It aims to ensure a fair, consistent, and transparent approach to managing debt, while safeguarding school resources and ensuring that families experiencing difficulties are supported appropriately.

Introduction

The governing body is responsible for ensuring that procedures are in place for the recovery of outstanding debt.

This policy sets out the procedures for debt recovery and for the write-off of any debt that is deemed to be irrecoverable.

General Debt

Payment should be obtained as and when goods/services/facilities are provided, wherever possible, where the value of goods and services are relatively small, i.e., less than **£100**.

Where payment is not received at the time when the goods/services/facilities are delivered, an invoice must be raised as soon as possible, but normally within 7 days of the goods/services/facilities being provided.

Invoices should state that the bill is due and payable at the invoice date.

If no payment is received within 21 days from the date of issue of the invoice, a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where only part of the debt has been settled, a final reminder for the balance outstanding should be issued 21 days from the issue of the invoice. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where a debtor requests permission to settle the debt by instalments and extend the normal terms and conditions of supply, they must submit an application in writing explaining the reasons for their inability to meet the original contract terms. The Head Teacher and Chair of Governors will agree the revised terms, which must not exceed 49 days from the date of issue of the invoice. If the debt is not settled within the terms set by the Head Teacher and Chair of Governors, then a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

At termly Governors meetings, the Head Teacher is required to inform the governors of any debt which is still outstanding after the 14 day period following the final reminder, together with any proposed action: This may be a referral to solicitors for legal action, a debt collection agency or to write-off the debt if there is no realistic prospect of debt recovery being successful, or if further action is not cost-effective.

Outstanding debt of up to **£50** may be written off by the Head Teacher, provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, the amount written off, and the reason for no further action being taken is reported to the Governors for information at their next meeting.

Write-off of outstanding debt in excess of **£50** must be approved by the Governors following submission of details of the debt by the Head Teacher, together with reasons for no further action being taken.

A write-off must not be communicated to the debtor. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records.

Individuals or organisations that have previously defaulted on payments to the school are not allowed credit facilities.

Where a debtor's payments are regularly or consistently paid outside the terms of supply, the Head Teacher must consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities at the time they are consumed.

Scope

This policy applies to all parents/carers whose children attend the school and use the following paid services:

- School Dinners
- Breakfast Club
- After School Club

Debt Monitoring and Communication Procedure

All accounts will be reviewed weekly by the school administration. The following process will be followed in cases where a debt has accrued:

Step 1 – Reminder Letter (Letter 1)

If a debt arises for any of the three services, the school will:

Attempt initial contact with the parent/carer by telephone on the first day of non-payment.

Request full payment by the following day.

If no payment is received, Letter 1 – Reminder Letter will be issued at the start of the second week.

This letter will provide a summary of the outstanding balance and remind the parent/carer to make immediate payment or contact the school to discuss any financial difficulties.

Step 2 – Withdrawal of Provision Warning (Letter 2)

If the debt is not reduced and exceeds the agreed threshold (currently £50), Letter 2 – Final Warning Letter will be issued.

For School Dinners: The parent/carer will be informed that if the debt is not reduced below £50, their child will no longer be eligible to receive hot meals. They must either provide a healthy packed lunch or make alternative arrangements (e.g., collecting the child for lunch).

For Breakfast or After School Club: The parent/carer will be informed that their child can no longer attend these provisions until the outstanding balance is reduced to below £50.

The letter will also offer the opportunity to discuss repayment options with the school.

Please Note: School Meals

Children cannot be provided with a school meal unless it is paid for, except for those who are entitled to free school meals. If parents/carers believe that their child may qualify for entitlement to free school meals, they should be advised to contact the 'One Stop Shop' or the school office. This allowance is a statutory right, and it is important that parents/carers are encouraged to register for free school meals if they are entitled, as this also enables the school to access Pupil Premium funding. Parents/carers will be asked to bring packed lunches for their children.

Parent/carer that if the debt is not cleared in full, the child will not be provided with a meal with effect from the following Monday. The parent/carer will be advised to make alternative arrangements for the child's lunch.

Step 3 – Legal Recovery Notification (Letter 3)

If the debt remains unpaid and has not been reduced or addressed after the final warning:

Letter 3 – Legal Notification Letter will be issued.

The parent/carer will be informed that the school will now seek legal advice or support from the Local Authority in order to recover the outstanding debt.

Repayment Options

The school is committed to working in partnership with families. Repayment plans may be agreed on a case-by-case basis, provided:

The repayment plan is realistic and sustainable.

The parent/carer remains in active communication with the school.

The total amount owed is reduced below £50 within an agreed time frame.

Responsibilities

Parents/Carers are responsible for ensuring payments are made in advance or on the day for all services used.

The School Office Staff are responsible for monitoring payments weekly and initiating the debt procedure promptly.

The Senior Leadership Team (SLT) will be responsible for escalating serious cases of non-payment and considering legal action where necessary.

6. Appendices

Appendix A – Letter 1: Reminder Letter

Appendix B – Letter 2: Withdrawal of Provision Warning

Appendix C – Letter 3: Legal Recovery Notification

School Dinners, Breakfast Club, and After School Club – Payment and Provision Policy Payment in Advance Requirement

School Dinners, Breakfast Club, and After School Club are optional, chargeable services provided by the school to support families. These services are not statutory, and the school is not required to provide them where payment is not made.

Parents/carers are expected to make full payment in advance via Parent Pay to secure access to these services. Sufficient funds must be added to the account to cover all expected uses.

Breakfast Club and After School Club

Both Breakfast Club and After School Club require advance payment through Parent Pay.

Children will not be permitted to attend Breakfast Club or After School Club where a debt is outstanding and has not been addressed.

If a parent/carer has not paid in advance and the debt exceeds the agreed threshold (currently £50), access to these provisions will be temporarily withdrawn until the account is brought below the threshold or an acceptable repayment plan has been agreed with the school.

Debt Recovery Process

Where payments are not made, the school will follow a three-stage process as noted above for school dinners:

- Reminder Letter
- Withdrawal of Provision Notification
- Legal Recovery Notification (where the debt remains unresolved or increases)

The school is committed to working with families and may agree to flexible repayment plans in cases of financial difficulty. However, to continue accessing these services, any debt must be actively managed and reduced below £50.

This policy is intended to keep debts to a minimum and thereby avoid the cost of a referral to solicitors for legal action or a debt collection agency, or to write off the debt.

We hope that by implementing this debt policy, we are able to help parents/carers manage school finances effectively, reduce the administration time and costs involved chasing dinner money and general debts and at the same time ensure that money which should be spent on the children's education is not used to cover the cost of debts.

Breakfast club- letter 1

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to breakfast club provision.

The total amount of the debt is currently [£X]. Payment of this debt should be made in full into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

Breakfast club - letter 2

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to breakfast club provision.

The total amount of the debt is currently [£X]. Payment of this debt should be made in full into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, the school reserves the right to withdraw the provision of the breakfast club.

Tax-Free Childcare is a UK-wide offer. **Eligible working parents** with children 11 or under can get up to £2,000 per child, per year, towards their childcare costs (or up to £4,000 for disabled children 16 or under). For more information, please see <https://www.gov.uk/tax-free-childcare>.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

Breakfast club - letter 3

Dear [Parent]

Re: Outstanding debt – [child's name]

We have written to you previously to advise that there are outstanding monies owed to the school for your child. These monies are in relation to breakfast club provision. It has come to our attention that outstanding monies are still owed to the school.

The total amount of the debt is currently [£X].

Payment of this debt should be made in full [in cash at the school office into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, the school reserves the right to withdraw the provision of breakfast club for your child.

Please note that if payment is not forthcoming within 5 school days of the date of this letter, the school reserves the right to begin legal proceedings to recover the debt. Non-payment of debts affects the quality of service we can offer at the school, and so it is important that debts are fully paid.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

Dinner money - letter 1

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to school dinners.

The total amount of the debt is currently [£X]. Payment of this debt should be made in full into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

Dinner money - letter 2

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to school dinners.

The total amount of the debt is currently [£X]. Payment of this debt should be made in full into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, you must provide your child with a packed lunch until the debt is cleared. If you feel your child may be eligible for free school meals, please see <https://www.gov.uk/apply-free-school-meals> for more information.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

Dinner money - letter 3

Dear [Parent]

Re: Outstanding debt – [child's name]

We have written to you previously to advise that there are outstanding monies owed to the school for your child. These monies are in relation to the school. It has come to our attention that outstanding monies are still owed to the school.

The total amount of the debt is currently [£X].

Payment of this debt should be made in full into your Parent Pay account. Please note that payment is due within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, you must provide your child with a packed lunch until the debt is cleared. If you feel your child may be eligible for free school meals, please see <https://www.gov.uk/apply-free-school-meals> for more information.

Please note that if payment is not forthcoming within 5 school days of the date of this letter, the school reserves the right to begin legal proceedings to recover the debt. Non-payment of debts affects the quality of service we can offer at the school, and so it is important that debts are fully paid.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

After school - letter 1

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to after-school club provision.

The total amount of the debt is currently [£x]. Payment of this debt should be made in full into your Parent Pay account or via your tax-free childcare account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

After school - letter 2

Dear [Parent]

Re: Outstanding debt – [child's name]

It has come to our attention that there are outstanding monies owed to the school for your child. These monies are in relation to after-school club provision.

The total amount of the debt is currently [£x]. Payment of this debt should be made in full into your Parent Pay account or via your tax-free childcare account. Please note that payment is due within 5 school days of the date of this letter.

If you are unable to make payment in full due to your financial circumstances, please contact the school office to discuss a payment plan. You must do this within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, the school reserves the right to withdraw the provision of the after-school club for your child.

Tax-Free Childcare is a UK-wide offer. **Eligible working parents** with children 11 or under can get up to £2,000 per child, per year, towards their childcare costs (or up to £4,000 for disabled children 16 or under). For more information, please see <https://www.gov.uk/tax-free-childcare>.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

After school - Letter 3

Dear [Parent]

Re: Outstanding debt – [child's name]

We have written to you previously to advise that there are outstanding monies owed to the school for your child. These monies are in relation to after-school club provision. It has come to our attention that outstanding monies are still owed to the school.

The total amount of the debt is currently [£x]

Payment of this debt should be made in full into your Parent Pay account or via your tax-free childcare account. Please note that payment is due within 5 school days of the date of this letter.

Where the amounts outstanding remain over the school credit limit of £50, the school reserves the right to withdraw the provision of the after-school club for your child.

Please note that if payment is not forthcoming within 5 school days of the date of this letter, the school reserves the right to begin legal proceedings to recover the debt. Non-payment of debts affects the quality of service we can offer at the school, and so it is important that debts are fully paid.

If you have any questions, please contact the school office.

Yours sincerely

[Name]

RE: Temporary removal of school meals

Dear Parent/Carer of

We are writing to inform you that the outstanding balance on your child's school lunch account has now exceeded the school's recommended limit.

As of today, the total owed is £.....which is above the agreed threshold of £..... In line with our school policy, we are unable to continue providing school lunches for your child until this debt is addressed and the balance is brought below the agreed limit.

We kindly ask that you take immediate steps to reduce the outstanding amount. Once the debt is brought below the threshold, your child may resume having school lunches as normal.

If you are experiencing any financial difficulties or require support, please do not hesitate to contact the school office in confidence. We are here to help and want to work with you to find a suitable resolution.

Thank you for your understanding and prompt attention to this matter.

Yours sincerely,
Mrs.C.Sime

Headteacher
St. Matthew's Catholic Primary School

RE: Breakfast Club Debt – Temporary Withdrawal of Access

Dear Parent/Carer of _____,

We are writing to inform you that the outstanding balance on your child's **Breakfast Club account** has now exceeded the school's recommended limit.

As of today, the total owed is £_____, which is above the agreed threshold of £_____. In line with our school policy, we are unable to continue offering a place at Breakfast Club for your child until this debt is addressed and the balance is brought below the agreed limit.

We kindly ask that you take immediate steps to reduce the outstanding amount. Once the balance falls below the threshold, your child may resume attending Breakfast Club as normal.

If you are experiencing financial difficulties or require support, please contact the school office in confidence. We are here to help and are happy to work with you to find a suitable way forward.

Thank you for your understanding and prompt attention to this matter.

Yours sincerely,

Mrs.C.Sime
Headteacher
St Matthew's Catholic Primary School

RE: After School Club Debt – Withdrawal of Provision

Dear Parent/Carer of _____,

We are writing to inform you that the outstanding balance on your child's **After School Club account** has now exceeded the school's recommended limit.

As of today, the total owed is £_____, which is above the agreed threshold of £_____. In line with our school's policy, we regret to inform you that your child can no longer attend the After School Club until the debt is reduced and brought back below the agreed limit.

We kindly ask that you take immediate steps to address the outstanding balance. Once the amount owed falls below the threshold, your child may resume attending the After School Club.

If you are experiencing any financial difficulties or need support, please contact the school office in confidence. We are always happy to discuss ways we can help or explore a suitable resolution.

Thank you for your prompt attention to this matter and for your continued support.

Yours sincerely,

Mrs.C.Sime
Headteacher
St Matthew's Catholic Primary School



St. Matthew's Catholic Primary School School Meals Debt Record



St. Matthew's Catholic Primary School Early Birds Debt Record