

## Debt Recovery Policy – linked to GDPR

To be reviewed Annually.

Policy Agreed October 2019. To be reviewed October 2020.



### Introduction

Everton Nursery School and Family Centre recognises that most parents/carers pay promptly for goods and services, although we will negotiate payment terms on an individual basis when families are experiencing financial difficulties. All reasonable measures to vigorously collect debts will be taken as part of its management of public funds. Everton Nursery School and Family Centre's Debt Recovery Policy will observe the relevant financial regulations and guidance set out in the Financial Handbook for Schools and any other legal requirements. In particular:

- A formal record of all debts including those to be written off will be maintained and reported once a year. These records will be retained for 6 years (Appendix A) and safely stored in line with GDPR.
- The Governing Body of Everton Nursery School and Family Centre will not write off the debt and will initiate legal action to recover debts and will refer any debts which it has not been able to collect (unless a decision to write-off the debt is demonstrably a reasonable course of action) to the Local Authority to consider taking legal or other action to recover the debt – check with LA and add our form

### **The following procedure will be followed to secure the collection of all debts.**

1. Recording of goods or services supplied where payment is not received in advance or 'at the point of sale'.
2. A record will be kept of all such supplies including details of what was supplied, the value, the dates(s) and the identity of the 'debtor', e.g. parent/carers, hirer, supplier etc.
3. Where invoices are raised these should state clearly the date by which payment is due (28 days).
4. In all other cases correspondence with parent/carers, etc. should indicate the maximum period that the school/centre regards as reasonable before payment is overdue, e.g. contributions for a school/centre educational visit should be received by, payment for items purchased should be sent to the school/centre office by, etc.

### Initial reminders

Initial reminders may be informal and made either in person (when a parent/carers comes to collect/drop off a child) or by telephone or a text/ParentMail asking them to contact the school/centre office. This will be completed **during the week of the due**

**date** and a record will be kept that it has happened. An initial reminder letter will be handed to the family a day after the due date. In the initial letter the debtor will be reminded that they will be required to pay in advance for all future services. e.g. you will be required to take your child home from school for their lunch until lunch fees are paid up to date.

### **First formal reminder letter**

A first formal reminder letter will be issued one week after the first reminder letter. From this point, no change will be issued to these families e.g. when paying £10.00 weekly dinner money with a £20 note, the remaining monies will be put towards repayment of their debt. This will be carefully recorded.

### **Failure to respond to reminders/settle a debt**

If no response is received within five working days from the reminders issued, a letter will be sent to the debtor from the Headteacher advising them that the matter will be referred to the LA's Legal Department.

### **Recording and maintaining reminders**

Should a debt need to be taken beyond two reminder letters, formal written evidence may have to be produced. It is therefore important that at least one, but preferably two written reminders are sent. **Details of all reminders, whether verbal or in writing, should be maintained. Where a letter is issued, a copy must be retained on file in the Headteachers office placed in the child's confidential blue file.**

### **Negotiation of repayment terms**

Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the first 'overdue reminder'.

### **Costs of debt recovery**

Where the school/centre incurs material additional costs in recovering a debt then the school/centre will decide whether to seek such costs from the debtor. This decision and its basis will be recorded.

The debtor will be formally advised that they will be required to pay the additional costs incurred by the school/centre in recovering the debt.

### **Reporting of outstanding debt levels**

The Leadership Team will ensure that the level of outstanding debt is known/can be determined at any time.

### **Bad debts**

A record of the debt, the reason for it, will be retained for 6 years.

Everton Nursery School and Family Centre have the following policy for charging and collecting fees:

**2-3 years daycare** – Daycare fees are: £46 per day (8.00a.m. – 5.45p.m.) or £23.00 (8.00a.m. – 1.00p.m per half day including lunch), £23.00 (1.00p.m. 5.45p.m. including snack)

Everton Nursery School and Family Centre have the following procedure in collecting fees. All daycare fees for 2-3s/3-5s and all dinner monies for all children **have to be paid by parents/carers every Monday or first day their child/dren attends their Nursery session**. If the fees are not paid by Monday evening the parents/carers are telephoned or spoken to in person to remind them to pay their outstanding fees for the week in hand and given a reminder letter ,except in the case of absence where there is a case of sickness. If the parent/carer cannot pay their fees/dinner money that day, their child reverts to a part-time place and is collected at 11.30a.m. receiving no lunch or further paid daycare until the fees can be paid. Parents are then sent a second written reminder to request payment of any outstanding fees before their child starts again at the centre in full daycare.

If fees are still not paid after being written notification, the outstanding amounts are referred to Liverpool City Council who follow up on behalf of the school/centre.

### **Extended Day/Daycare – for 3-11 years**

No charge will be made for education, which is provided within the nursery allocation (i.e. 15 hour sessions). If parents/carers request additional daycare within the centre the following charges apply:

8.00-9.00a.m. Breakfast Club = £5.00 per session

3.00-5.45p.m. After School Club = £15.00 per session

3.00-6.00p.m. After School Club (local schools including pick-up) = £16.00

**Daycare on top of nursery allocation place (3-5's):**

9.00-12 noon. or 12 noon-3p.m. = £15.00 per session, this does not include lunch which is £2.00 per day.

**Everton Nursery School and Family Centre administer and run the breakfast club, after school and daycare on top of nursery allocation place.**

**Policy Review**

This policy was reviewed by a group of four Governors on behalf of the Curriculum, Children and Family Committee on Tuesday 1<sup>st</sup> October 2019 and ratified at the Governing Body meeting of Everton Nursery School and Family Centre Governing Body on Thursday 10<sup>th</sup> October 2019.

## **APPENDIX A: RECORD OF DEBTS WRITTEN OFF**

**Name of Debtor**

**Details of Debt Amount**

(£)

**Invoice reference and date**

(where applicable)

**Reason for Write-Off**

(including brief details of measures taken to secure payment – as appropriate)

**Authorisation of Write- Off**

(Name and signature of the authorising individual and date cross-referenced to entry in the accounts where applicable).