

Welton St. Mary's Church of England Primary Academy



Our Vision

As an inclusive Christian community we value each person, seeking to release everyone's full potential as promised by Jesus Christ. We seek to provide a safe, inspiring and creative learning environment providing opportunities for all to flourish. Through challenge, support and care, we strive for excellence in all that we do; always building on the foundations of shared values with consistently high expectations rooted in God's love. Together we are encouraged to be agents of positive change in this world.

'May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit.' Romans 15:13

Wisdom Hope Community Dignity

Debt Management Policy

Approved January 2024

DEBT MANAGEMENT POLICY

1 INTRODUCTION

1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.

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

2 POLICY

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

2.2 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 10 days of the goods/services/facilities being provided.

2.3 If no payment is received within 28 days from 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.

2.5 Where only part of the debt has been settled a final reminder for the balance outstanding should be issued 28 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.

2.6 If payment is still not received the contact information and details of the debt will be passed to the Headteacher. The Headteacher will contact the Supplier/parent/carer by telephone to agree a settlement plan.

2.7 . If the debt is not settled within the terms set by the Headteacher 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.

2.8 At each meeting of the Governing Body/Finance Committee, the Headteacher 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.

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

2.10 Write-off of outstanding debt in excess of £50 must be approved by the Finance Committee following submission of details of the debt by the Headteacher together with reasons for no further action being taken.

2.11 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.

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

2.13 Where a debtor's payments are regularly or consistently paid outside the terms of supply the Headteacher must consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities prior to them taking place.