

# Oakthorpe Primary School

Debt Recovery Policy  
Autumn 2025



Reviewed by: J Wheeler

Review date: Autumn 2026

Approved by: Resources Committee

Review date: Autumn 2027

---

**Introduction:**

Any money owed to the school has an impact on the budget and may affect the resources we can provide to all children. We hope that parents understand this and will make every effort to avoid owing the school money.

The school will take all reasonable measures to collect debts and to ensure that appropriate procedures are in place. This encompasses all debts owed to the school including, but not limited to, payments for goods, services, school trips, and school meal payments.

A debt will only be written off after all reasonable measures have been taken to recover it.

In general payment for all goods and services supplied by the School should be collected in advance or 'at the point of sale'.

**Oakthorpe Primary School School will actively pursue the collection of monies owed to it.**

The acceptable period of debt will be **30 days**. The acceptable level of debt at any one time is **£30**. Any debt outstanding after this period of time or over this acceptable limit will be dealt with by the School Business Manager or other delegated personnel as follows:

- An initial reminder email will be sent through Arbor
- An follow up telephone call will be made to remind that there is a debt outstanding
- If there has been no attempt at repayment, a formal letter will be sent by the Headteacher. This letter will outline the overall debt payable by the parent. At this point, children will not be able to attend any wraparound clubs until the debt has been paid.
- Where debt continues not to be paid, the school will seek legal advice, at the school's cost, on how to proceed.

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

**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 payment' reminder.

However, if debtors are unable to pay on time and make requests for 'repayment terms' these may be negotiated at the discretion of the Headteacher. The debtor may be advised that they will be required to pay in advance for all future supplies or the supply will no longer be available to the student or to the debtor. This decision and its basis will be recorded.

A record of all such agreements entered into will be retained and in all cases, a letter will be issued to the debtor confirming the agreed terms for repayment.

**The School Business Manager is required to ensure that:**

- All invoices outstanding are accurately recorded and maintained.
- There is documentary evidence of all the steps undertaken by the school to recover the debt. This includes recording the dates that invoices and statements were distributed, and/or phone calls, letters and emails that have been sent to debtors.
- For all outstanding debts, a final statement (headed 'final notice') is issued to all persons liable for the charge. This statement must include "*further action will be taken if this account remains outstanding after a period of no less than 5 school days*".

#### **The Governing Body will:**

- Consider the arrangements for debt recovery.
- Approve the school undertaking legal action in conjunction with the local authority's legal department.
- Include in the minutes of the Governing Body their approval to pursue any outstanding debt.
- Ensure the anonymity of the families involved is always preserved.

#### **Waiving of Debt**

On limited occasions, the Headteacher can waive or reduce the debt, where it is believed the debtor can produce evidence that they are experiencing financial hardship.

A debt may be written off by resolution of the Governing Body on the recommendation of the Headteacher.

A recommendation to write off a debt can be made only when the Headteacher or School Business Manager has evidence that all avenues to recover the debt have been exhausted, and where it is not cost effective to pursue the debt through legal action.

Any action related to an outstanding debt or the waiving/reducing of a debt should be dealt with confidentially between the debtor and the Headteacher/Office Manager.

#### **Reporting of Outstanding Debt**

The Business/Finance Manager will ensure that the level of outstanding debt is monitored and reported to the Finance/Resource Committee and the Governing Body in their scheduled meetings. The Committee will review the level of outstanding debts every term to determine whether this level is acceptable and whether action to recover debts is effective.

The system of accounting maintained should be so up to date that the level of outstanding debt is known at any time. The Business/Finance Manager will inform the Headteacher of outstanding debts on a monthly basis.

#### **Policy Review**

This policy will be reviewed annually by the Finance/Resource Committee and approved by the Governing Body.