



Debt Recovery Policy

Revised: July 2025

To be reviewed: July 2026

SIGNED BY CHAIR OF TRUST BOARD:

DATE APPROVED: 10th July 2025

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Statement of intent

The Pioneer Academy is committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, and has established policies and procedures to ensure that no child is discriminated against by our offering of school trips, activities and educational extras.

While this is the case, the school must have a policy in place to ensure the repayment and recuperation of any outstanding debts incurred by the school on behalf of a pupil. The school will take all reasonable measures to vigorously collect debts as part of its management of public funds. A debt will be written off only after all reasonable measures, commensurate with the size and nature of the debt, have been taken to recover it.

Each case is to be treated individually and the circumstances that have led to the outstanding debt will be considered to determine the best course of action and whether it is fair and reasonable to pursue the debt in its entirety if at all. The school is committed to adhering to legal requirements regarding charging for school food, activities and materials, and meeting all statutory guidance provided by the DfE.

Legal framework

This policy has due regard to all relevant legislation and statutory guidance including, but not limited to, the following:

- [DfE \(2018\) 'Charging for school activities'](#)
- [DfE \(2023\) 'Schemes for financing schools'](#)

This policy operates in conjunction with the following school policies:

- Data Protection Policy
- Finance Policy
- Reserves and Investments Policy
- Conflicts of Interest Policy
- Anti-fraud and Corruption Policy
- Records Management Policy

Roles and responsibilities

The trust board is responsible for:

- Reviewing this policy on an annual basis.
- Deciding to leave a case of debt recovery to the decision of the headteacher.

The headteacher is responsible for:

- The overall implementation of this policy and ensuring that all staff, parents and pupils are aware of their responsibilities.
- Regularly reviewing details of its debts and what recovery action is needed.
- Consultations if legal services are required for debt recovery.
- Adhering to the privacy rights of pupils and their guardians in all cases.
- Recording debt reminders, and ensuring those records are maintained for a period of seven years – this includes dates and times of letters, phone calls, emails, conversations or any other correspondence.
- Ensuring instances of debt are judged on an individual basis, with consideration of the nature of the debt and the circumstances of the family involved.
- Ensuring the privacy of the pupil and their family will be protected by all staff.
- Ensuring the level of outstanding debt owed to the school can be determined at short notice.

Acceptable credit period

In the case of a debt, the head teacher should agree upon a 'credit period' within which the debtor can pay the outstanding sum before debt recovery procedures are exercised. This period of time may vary, at the discretion of the head teacher, dependent on the nature and size of the debt.

Declaring outstanding debt levels

The SBM/Finance Manager will review the level of outstanding debts every month to determine whether current debt levels are acceptable and whether current methods and procedures to recover debts are effective.

Any individual cases of debt that are deemed to require intervention will then be pursued by the debt recovery procedures in this policy.

Debt recovery procedures

Where there is an outstanding payment yet to be received and the acceptable credit period has surpassed, an official letter will be created outlining the value and reason for the debt, as well as the debtor's identity.

Upon creating the letter and stipulating a date on which it must be paid by, there will be acknowledgement from the school that the debt has been set up.

Verbal and written overdue payment reminders

Overdue payment reminders are outlined below:

- **Initial verbal reminder by the Finance Assistant**– informal in-person, telephone or email correspondence notifying the individual of debt with the date and time officially recorded.
- **First formal written reminder by the SBM/Finance Manager**– an official, dated letter addressed to the debtor which will be written up one week after the first informal reminder and will acknowledge that it took place.
- **Second formal written reminder by the SBM/Finance Manager** – this will arrive two weeks after the first reminder, citing the details of both previous reminders and stating that concerted efforts have been made to make the person aware that an outstanding debt is overdue.

Failure to respond

If overdue payment reminders are not responded to, another letter will be sent to the debtor advising them that the case has been referred to the Head Teacher for review.

It is then for these parties to agree on a timeframe for a repayment or, if necessary, a payment plan for separate instalments.

Negotiation of debt payment

It is expected that the debt will be repaid as soon as possible, particularly after repeated reminders; however, this will be negotiated at the discretion of the Head Teacher, particularly if the circumstances in this policy apply.

If there is a case where the debtor is deemed to be refusing to pay without sufficient reason, the school may consider involving LAs and the council's legal services to resolve the issue and recuperate owed funds.

Exceptional circumstances and remissions

The school will ensure that parents of pupils are aware of the help the school can extend to those in financial difficulty. Parents who may be eligible for remissions are those in receipt of any of the following benefits:

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Support under part VI of the Immigration and Asylum Act 1999
- The guaranteed element of State Pension Credit
- Child Tax Credit, provided that they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190
- Working Tax Credit run-on – paid for four weeks after they stop qualifying for Working Tax Credit
- Universal Credit – if they apply on or after 1 April 2018, their household income must be less than £7,400 a year (after tax and not including any benefits that they receive)

The Head Teacher is not guaranteed, but may decide, to waive or reduce the outstanding debt in circumstances of hardship, ill-health, cost and multiple debt.

Debt recovery costs

It may be advisable to waive or partially waive debts where it is deemed that it does not make financial sense to continue allocating time and resources to pursuing.

The Head Teacher will review any case a debt may be waived, and come to a final decision based on the value of costs versus value of the debt.

Appendix 1

LETTER 1 (To be sent on due date plus one)

Date

Parent name and address

Dear XXXX,

First Reminder re School Meal non Payment / for XXXX, Class XXXX

XXXX has informed the school that they are taking school meals this half term, but the school has not received payment and as you are aware, school meals have to be paid for in advance.

The outstanding balance as of today was £xxxx

I understand that an oversight can happen and I would be grateful if payment could be arranged by return and ensure sufficient funds are added to the account so as not to run into arrears.

Yours sincerely,

Finance Manager

Appendix 2

LETTER 2 (To be sent on due date plus 1 week)

Date

Parent name and address

Dear XXXX,

Second Reminder re School Meal Non Payment for XXXX, Class XXXX

Further to my reminder of (date of letter/e-mail), our records show that we have still not received any payment for school dinners and as previously advised, this is a service that requires payment in advance.

The outstanding balance has now increased to £xxxxx

I would be grateful if payment could be arranged by return and ensure that XXXX has sufficient funds on the account to ensure XXXX can continue with school meals.

If you are having difficulties or would like to discuss this matter further, please do not hesitate to contact me. Our preferred method of payment is online via Schoolshop/Parentpay (Provide link here)

If you think you may be entitled to free school meals, please speak to the school office, in confidence. Alternatively, you may check your eligibility by logging onto the FSM Eligibility Checker web site, **fsm.lgfl.net** and follow the instructions to find out if you qualify.

Yours sincerely,

School Business Manager

Appendix 3

LETTER 3 (To be sent on due date plus 2 weeks)

Date

Parent name and address

Dear XXXX,

Third Reminder re Non Payment of School Meals for XXXX, Class XXXX

XXXX has been taking school meals for the last two weeks but despite two previous reminders sent on (date) and (date), the school has not received any payment and cannot continue to provide xxxxx with a school meal that is not paid for.

The outstanding balance on (date) has increased to £xxxxxx as at the date of this letter.

Since non-payment for school meals affects the quality of service we offer to the children, we need to ensure that all payments are up-to-date and I am afraid that if the debt is not immediately cleared, it will not be possible to provide your child with a school meal. You must make arrangements for xxxxx to come to school with a packed lunch from tomorrow.

However, if you are making payment in full to clear the debt and you wish XXX to continue with a school meal please add the necessary funds to your account so that payment is always in advance for school meals.

If the arrears continues to increase, the school may take legal action to recover their debts as this is money that should be used on all our pupil's education.

If you are having difficulties or think you may be entitled to free school meals, please contact me to discuss this matter. Alternatively, you may check your eligibility by logging onto the FSM Eligibility Checker web site, **fsm.lgfl.net** and follow the instructions to find out if you qualify.

Yours sincerely,

Head Teacher

Appendix 4

Letter 4 to be sent by recorded delivery.

Date

Parent name and address

Debt £ xxx

Dear xxxxx

Our records show that you have not paid [dinner money/trip/club] for your child [NAME] in [CLASS], despite our previous reminders dated xxxx, xxxx and xxxxx .

As at [DATE], our records show a debt of **[DEBT]**. Please see the attached Statement of Account for further information.

Please arrange for the money to be paid immediately. Payments may be made by [OPTIONS]. If this debt is not cleared by **[DATE- 7 DAYS AFTER DATE OF LETTER]**, the school reserves its right to begin legal proceedings to recover the outstanding debt.

In default of payment by this date we may instruct solicitors to issue proceedings for recovery of this debt, to include a claim for interest and costs. Interest will be charged at 8.00% above the Bank of England base rate. Proceedings may result in a Judgment being entered against you which will seriously affect your credit rating.

We shall not send you any further warning letters. The next correspondence you will receive on this matter will be from our solicitors.

If you require any legal advice in relation to this matter, you should contact your own solicitor or your local Citizens Advice Bureau.

If you have any queries or need to discuss your payment please contact **[NAME]** in the school office.

Yours sincerely

**Chief Finance Officer
The Pioneer Academy**

Independent advice organisations

Organisation	Address	Telephone number	Website address
National Debtline	Tricorn House 51-53 Hagley Road Edgbaston Birmingham B16 8TP	0808 808 4000	www.nationaldebtline.co.uk
Step Change Debt Charity		0800 138 1111	www.stepchange.org
Citizens Advice			www.citizensadvice.org.uk
Community Free Legal Service			http://www.communitylegaladvice.org.uk/