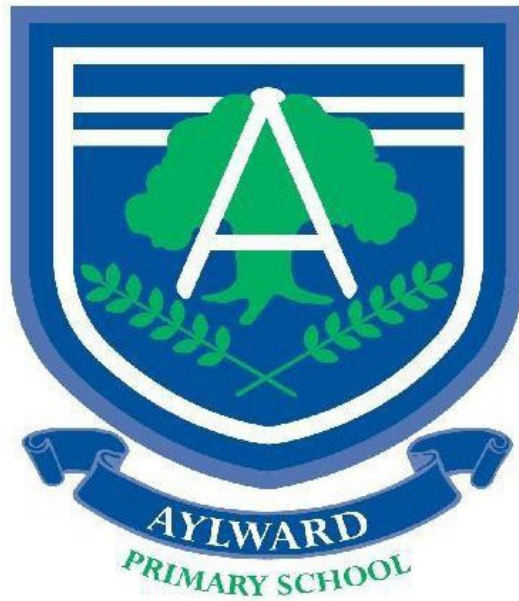




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# AYLWARD PRIMARY SCHOOL

## DEBT POLICY

|                                |                            |
|--------------------------------|----------------------------|
| GB Committee Responsible:      | Finance & Premises         |
| Reviewed by:                   | Marion Tam / Rakhi Gorasia |
| Review Date:                   | May 2026                   |
| Approved by Finance & Premises | 7 <sup>th</sup> May 2026   |
| Next Review Date:              | May 2028                   |

## **Introduction**

The Governing Body has a duty to ensure the School receives all the funds which it is due. This policy has been created to ensure the appropriate procedures are in place to deal with debts and the recovery of assets. It encompasses all debts owed to the School including, but not limited to, payments for goods, services, residential school trips and school meal payments.

## **Rationale**

This Policy has been compiled recognizing the difficulties placed on Head Teachers in balancing the social welfare of pupils with the management of the School budget. By introducing a zero tolerance debt policy, we aim to reduce the risk of parents incurring large debts that they will struggle to pay and minimise the amount of staff time taken to chase outstanding payments. Our consistent, fair and clear approach will help parents and carers understand the procedure and what is expected.

As the School is responsible for managing payments and arrears from the school budget, when debts are incurred, the school budget has to pay for them. This means that money that should be spent on the children's education by law is used to pay for debts incurred by parents. Every parent will agree that this is unacceptable and we request that all parents give this policy their full support.

## **Key Information**

1. A copy of the Debt Policy is available on the School web site.
2. All services provided including school lunches, music tuition and breakfast and after school club places and additional nursery provision should be paid for in advance.

## **School Meals**

Currently, infant children (Reception, Year 1 and Year 2 pupils) are entitled to a Universal Infant Free School Meal. This is funded by the Department for Education.

Since the 2023/24 academic year, the Mayor of London has funded the provision of Free School Meals for all children from Year 3 to Year 6. This is NOT the same as a free school meal from the Local Authority. If the Mayor of London stops funding the pupil meals for children in Year 3 to Year 6, parents will have to pay for hot school lunches unless they meet the free school meal criteria as outlined below.

Your child may be eligible for free school meals if you are in receipt of any of the following benefits:

- income-related Employment and Support Allowance
- support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of Pension Credit
- Child Tax Credit (provided you're 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 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit - if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get)

Children who get paid these benefits directly, instead of through a parent or guardian, can also get free school meals.

Your child may also get free school meals if you get any of these benefits and your child is both:

- younger than the [compulsory age for starting school](#)
- in full-time education
- This section is being removed:
- In addition, the following pupils will be protected against losing their free school meals as follows:
- Pupils who were eligible on 1 April 2018, or who became eligible since then, continue to receive free meals, even if their household is no longer eligible under the benefits/low-earnings criteria, up until March 2025 and then until the end of their phase of education
- New applicants for free school meals on or after 1 April 2018, who are in receipt of Universal Credit and have earnings above the earned income threshold, will not be eligible for free school meals

The Universal Credit rollout is currently expected to complete in March 2025

Children who get paid these benefits directly, instead of through a parent or guardian, can also get free school meals.

Your child may also get free school meals if you get any of these benefits and your child is both:

- Younger than the compulsory age for starting school
- In full-time education

If your child is eligible for free school meals, they'll remain eligible until they finish the phase of schooling (primary or secondary) they're in on 31 March 2025.

If the Department for Education or the Mayor of London cease to fund Free School Meals for pupils, then the following will apply.

**PLEASE REMEMBER THAT UNTIL YOU RECEIVE CONFIRMATION FROM THE FSM ELIGIBILITY CHECKER WEBSITE OF YOUR CHILDS ENTITLEMENT TO FREESCHOOL MEALS YOU WILL STILL NEED TO PAY FOR YOURCHILDS LUNCH.**

The School has a duty to provide free school meals to those who are eligible, but there is no obligation beyond this. If arrears exist, the School can refuse to continue to provide hot meals.

**Parents, please note: it is your responsibility to apply for free school meals and to ensure that the Local Authority is kept up-to-date with your circumstances. With assigned request the school can carry out this check on parents' behalf; please speak to a member of staff in the school office.**

### **Payments of Services**

The School provides several other services; these include before and after school care, music tuition and residential school trips. A separate payment item is listed for every child. All payments for chargeable services should be made in advance using the school online payment system.

Parents can choose how frequently they make payments to their accounts. This could be weekly, monthly or termly. Please be aware that there is a processing cost associated with every payment. This cost is met by the School. Therefore, the fewer number of payments our parents make, the lower the charge paid and the more funds available for your children's education.

If you have any difficulty accessing the school online payment system please contact the School Office immediately. Parents are able to set up a payment plan to bring the arrears up-to-date by contacting the Office/School Business Manager.

**Payment Plan** – if payments agreed in the Payment Plan (sufficient enough to cover the ongoing costs and pay off past debts) are made on time, the service provision will continue. If regular payments are not made, the service will be withdrawn.

### **Other User Services**

The Online payment system has a low balance warning system which can be set up by each parent according to their own needs.

When the balance on a particular payment item for a particular child reaches a pre-set level (set by the parent), the online payment system can automatically send a free email to the parent's nominated email address advising them of the low balance.

### **Debt Recovery**

The Head Teacher will ensure that the level of outstanding debt is regularly monitored.

Where payment for services is not received in advance and arrears accumulate, the following procedures apply:

**INFORMAL REMINDERS** – Parents will be informally reminded in person/by email/by text or a note home that monies are owed and that their Online payment account needs topping up. The dates of the reminders are recorded.

**FIRST FORMAL REMINDER LETTER/EMAIL** – For school lunches, if the debt remains after the one-off debt allowance has been given, a formal reminder letter will be sent by the School requesting immediate payment.

For other services the first formal reminder letter/email will be sent after the due date of the payment. We

appreciate that from time to time, financial difficulties do arise. If this is the case, please let the school know as soon as possible so that we can see if there are any ways in which we might be able to help or refer you to somewhere that can.

**SECOND FORMAL REMINDER LETTER** – If no payment plan has been set up and debt is still outstanding one week after a first formal reminder, the School will invite you to have a meeting with a senior member of staff to discuss the reason for non-payment.

**THIRD FORMAL REMINDER LETTER** – If the debt is still outstanding one day after the meeting, or the parent does not attend the meeting, a letter will be sent to the parent advising them that the School will no longer provide the service.

**If the debt is for school lunch, your child will no longer be given a hot meal but will be given fruit and bread as an alternative.** Please send your child to school with a packed lunch until the debt is cleared and in credit by at least one week's meals. If your child repeatedly attends school with no pack lunch and the debt remains unpaid then the family may be referred to Children's Services under the

category of neglect.

On rare occasions there is a pattern of debt and a repeated cycle of First, Second and Third reminder letters are required. Where this is evident, this policy will allow the Third Formal Reminder to be sent immediately to ensure the debt does not become excessive.

**FINAL FORMAL REMINDER LETTER** - If there is no response to the third reminder letter the parent will be invited to meet a member of the Governing Body to discuss how the debt will be settled. Failure to respond to this letter and/or failure to attend this meeting may result in the school passing the debt to an external debt collection agency. Parents may be advised that they will be required to pay in advance for all future supplies and services or the supply will no longer be available to them.

This decision and its basis will be recorded and reported to the Finance & Premises Committee and/or Governing Body.

If a mutual agreement cannot be reached or if any agreed repayment is missed, then the debt may be transferred directly to an external debt collector.

**Possible legal action** – Please note that the Head Teacher reserves the right to take legal action to recover debts.

### **Waiving of Debts**

The waiving of debts is at the discretion of the Head Teacher and the Governing Body. A debt may be waived when it is believed the family is experiencing serious financial hardship. Please contact the school if you feel this applies to you.

### **School Support**

We hope that by implementing this policy, we can help you, as parents, manage your payments better and at the same time, ensure that our available budget is used to enhance your children's learning. The chasing of debts is extremely time-consuming for our staff. Time spent checking debts and sending out letters takes our staff away from other duties at school that would benefit all children. We request that all parents and carers work with us by making regular payments, in advance, for all our services.

This policy will be available on the School Website and parents will be informed of the policy in occasional newsletters. Hardcopies of the policy will be available on request.

This policy will be reviewed bi-annually by the Governing Body of Aylward Primary School.