



St Ethelbert's Catholic Primary School and Nursery

Debt Management Policy

1. Introduction

St Ethelbert's Catholic Primary School and Nursery is committed to maintaining financial stability and ensuring responsible fiscal management. This Debt Management Policy outlines the procedures for managing and collecting debts to safeguard the school's financial health. By adhering to this policy, St Ethelbert's Catholic Primary School and Nursery aims to maintain a balanced financial environment, ensuring the continued provision of high-quality education for all students.

2. Objectives

The primary objectives of this policy are to ensure the timely collection of all fees and charges owed to the school, maintain precise and detailed records of all debts and payments, minimise the occurrence of overdue and bad debts, implement a fair, transparent, and consistent debt collection process, and support families in financial hardship through clear and compassionate communication.

3. Scope

This policy applies to all fees, charges, and any other monies owed to St Ethelbert's Catholic Primary School and Nursery by parents, staff, or third parties.

4. Debt Identification and Recording

All debts will be promptly identified and recorded in the school's payment system School Money. Detailed records of each debt will be maintained, including the amount owed, the nature of the debt, the due date, and contact details of the debtor. Regular audits will be conducted to ensure the accuracy and completeness of debt records.

5. Payment Terms

Fees and charges must be paid by the deadlines specified in the payment request. The payment request will be sent via email and text detailing the amount owed, the due date, and payment methods available. Payment reminders will be sent via email or text before the due date.

6. Collection Procedures

If payment is not received by the due date, daily reminders will be sent via text and email through the School Money payment system. If the outstanding amount is not settled after the email and text reminders, a formal payment reminder letter from the Headteacher will follow. Should the payment remain unpaid by the date specified in this formal letter, another



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letter from the Headteacher will be sent, offering a payment plan where appropriate. If there is still no payment or contact made, a third letter will be sent by the Headteacher, requesting a meeting to discuss the outstanding payment.

7. Further Actions

If the meeting with the headteacher fails to resolve the debt or if the debtor does not attend the meeting, further actions will be taken. The Headteacher may offer a structured payment plan to assist in settling the outstanding amount. In cases where there is continued non-payment and no agreement is reached, the school reserves the right to take further actions, including involving external debt collection agencies or pursuing legal action to recover the debt.

For debts related to extracurricular activities such as Bikeability, Cooking Club, guitar lessons, etc. students may not be able to participate in these activities until the outstanding balance is paid. If the debtor consistently pays their debts outside the designated payment terms, the Headteacher may decide to revoke their credit privileges and require upfront payment for any goods, services, or facilities. It is necessary to settle any outstanding debts before making any additional purchases from the school.

8. Hardship Provisions

The school acknowledges that some families may encounter unexpected financial difficulties. Parents or guardians facing financial hardship are encouraged to contact the School Office as soon as possible. The office will handle such cases with discretion and sensitivity, exploring alternative payment arrangements that accommodate the family's circumstances. The school may offer extended payment plans, temporary fee reductions, or deferred payments in genuine hardship cases.

9. Year 6/Mid-year Leavers

If there are unsettled debts when a child leaves the school, the school may transfer the debt to a younger sibling if they are currently enrolled. Unsettled debts from children who leave the school will be followed up through email or letter, and may be escalated to the legal team of Kent County Council for further action.

9. Write-Off of Bad Debts

Debts considered uncollectible will be periodically reviewed by the Finance, Premises and Personnel Committee. A detailed report of the attempts made to collect the debt and the reasons for considering it uncollectible must be prepared. Where debts are required to be written off, after every effort has been made by the Headteacher and Governors to recoup



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the monies, the Headteacher is authorised to write off any debts up to £100. For debts ranging from £100 to £1000, approval from the Finance, Premises and Personnel Committee is required. Approval to write off debts over £1,000 is required in writing from the LA Finance Business Partner CYPE.

10. Communication and Confidentiality

All communications regarding debts will be conducted respectfully and confidentially, ensuring the debtor's privacy is maintained. The school will use a variety of communication methods, including letters, emails, and phone calls, to ensure effective and respectful debt management. Information about debts and financial arrangements will be handled in accordance with the school's privacy policy and relevant data protection laws.

11. Monitoring and Review

The School Finance, Premises and Personnel Committee will regularly monitor the effectiveness of this policy through periodic reviews and audits. Feedback from staff, parents, and the school community will be considered to improve the policy and ensure its relevance and effectiveness.

Signed Date
(Chair of Governors)

Signed Date
(Headteacher)

Headteacher
July 2024

Review annually or when required – July 2025