QUEENS' SCHOOL

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Debt Recovery Policy

Introduction

Queens' School generates income from the following sources:

Lettings income from hirers of school premises
Income for trips, activities and purchases
Other occasional miscellaneous income

This policy sets in place the procedures to follow to ensure the income is received and if not, that debt recovery is attempted.

1. Income generation

Invoices

Invoices are generated through the sales ledger module of the finance package.

Notification of costs and agreement to pay

Potential hirers are notified of the hire costs as part of the booking process

Signing the booking form confirms their agreement to pay

Purchasers are notified of the cost of trips and activities when invited to participate

Signing up to the trip confirms their agreement to pay

Purchasers are notified of the cost of purchases when they are invited to purchase

Purchasing the product requires full payment at the time of purchase

2. Debt Recovery

The debt recovery process includes the following steps :

- **Due date**
  All lets, participation in trips or activities, or purchases include payment due dates and these are notified to the purchaser.
- **Reminder**
  Reminders are sent either in advance of a due date or after a due date if it has been missed. These reminders could be :
  - Wisepay notifications
  - Messages to students or parent / carer at pre-arranged meetings
  - Emails or telephone calls
- **Invoice**
- **Statement**
- **Debt letter**
  This would usually come from the Finance Team
- **Formal debt letter**
  This would usually come from the School Business Manager
- **Headteacher's letter**
- **Notice of Intention**
  To proceed with legal proceedings

A log of steps taken and copies of all written communication are kept in a debtors file.

Due dates may be extended in exceptional circumstances.

In the event of non-payment, hirers may be prohibited from entering the premises and students may be withdrawn from trips or activities. Future hiring and participation may also be refused where a debt has arisen or not been paid.

In the event of non-payment, the school reserves the right to withhold student's examination certificates where applicable.

3. Legal Proceedings

If a debtor does not respond to any of the steps above then the Finance, Audit, Premises and Risk Committee of Trustees should consider each debt with a view to pursuing the debt or passing it to legal advisors for further action. If appropriate the debt will be dealt with in a small claims court.

4. Writing off bad debts

The school must also consider if a debt should be written off. The decision must be made based on the value of the outstanding debt, and other background information given by the school and the debtor.

Authority to write of a debt is given as follows:

Authority to:	*Write off value*
School Business Manager	up to £249
Accounting Officer	£250 to £499
Finance, Audit, Premises and Risk Committee	£500 and above

Beyond the limits below, the school must seek and obtain explicit and prior approval of the Secretary of State (through the ESFA) :

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- cumulatively, 5% of total annual income in any one financial year per category of transaction

5. Linked Policies

- Lettings policy
- Charging, Remissions and Refunds policy

Appendix A
Schedules of debt recovery steps
Appendix B
Debt recovery action logs

Trustee approved: March 2024
Review date: February 2027
Queens' School (Bushey) Ltd (registered number: 076506090)

Appendix A – Schedule of debt recovery steps

School trips or activities

Debt Recovery Step	
Due dates(s)	Payment is required in whole or in part (deposit) at the time of signing up to the trip Subsequent instalments are payable as applicable
Reminder(s)	Reminders are sent either in advance of a due date or after a due date if it has been missed There are likely to be a number of reminders where instalments are being paid
Invoice	Generated on cancellation, where a cancellation fee is payable Generated if the total has not been paid by the final agreed due date The invoice gives the debtor fourteen days to pay
Statement	Issued one day after the invoice due date The statement gives the debtor seven days to pay
Debt letter	Issued one day after the statement due date The debt letter gives the debtor seven days to pay
Formal letter	Issued one day after the debt letter due date The formal letter gives the debtor seven days to pay
Headteacher's letter	Issued one day after the formal letter due date The Headteacher's letter gives the debtor seven days to pay
Notice of Intention	Issued one day after the Headteacher's letter due date The notice of intention gives the debtor seven days to pay

The debt is then referred to the FPAR Trustees for the next steps which may include legal proceedings

Lettings

Debt Recovery Step

Invoice	Generated on booking or at the end of each month if a regular let The invoice gives the debtor twenty eight days to pay
Due dates	On occasions a deposit is required at the time of booking Payment may be required in full before the date of the let Payment may be required at the end of the let Payment may be required at the end of each month
Statement	Issued seven days after the invoice due date The statement gives the debtor fourteen days to pay
Debt letter	Issued one day after the statement due date The debt letter gives the debtor seven days to pay
Formal letter	Issued one day after the debt letter due date The formal letter gives the debtor seven days to pay
Headteacher's letter	Issued one day after the formal letter due date The Headteacher's letter gives the debtor seven days to pay
Notice of Intention	Issued one day after the Headteacher's letter due date The notice of intention gives the debtor seven days to pay

The debt is then referred to the FPAR Trustees for the next steps which may include legal proceedings

Miscellaneous invoices

Debt Recovery Step

Invoice	Generated on agreeing the transaction The days available to pay will depend on the transaction
Due dates	Payment may be required in full before the transaction * ** In the event of non-payment the transaction ceases and no further debt recovery steps are required* Payment may be required at a time after the transaction
Statement	Issued seven days after the invoice due date The statement gives the debtor seven days to pay
Debt letter	Issued one day after the statement due date The debt letter gives the debtor seven days to pay
Formal letter	Issued one day after the debt letter due date The formal letter gives the debtor seven days to pay
Headteacher’s letter	Issued one day after the formal letter due date The Headteacher’s letter gives the debtor seven days to pay
Notice of Intention	Issued one day after the Headteacher’s letter due date The notice of intention gives the debtor seven days to pay

The debt is then referred to the FPAR Trustees for the next steps which may include legal proceedings

Appendix B – Debt recovery action logs

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Debt Recovery Action Log – School trips or activities

Student Name : ________________________________ Form : ____________________

Parent / Carer Name : ____

Debt : £ _________________ For : __________________________________

Debt Recovery Steps		
Invoice	Dated :	Inv Ref :
Invoice due date :		
Statement	Dated :	
Statement due date :		
Debt letter	Dated :	
Debt letter due date :		
Formal letter	Dated :	
Formal letter due date :		
Headteacher's letter	Dated :	
Headteacher's letter due date :		
Notice of Intention	Dated :	
NoI due date :		
Subsequent action :		

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Debt Recovery Action Log – Lettings

Company / Organisation : ____

Main contact name : ____

Debt : £ ________________ For : ______________________________

Debt Recovery Steps		
Invoice	Dated :	Inv Ref :
Invoice due date :		
Statement	Dated :	
Statement due date :		
Debt letter	Dated :	
Debt letter due date :		
Formal letter	Dated :	
Formal letter due date :		
Headteacher's letter	Dated :	
Headteacher's letter due date :		
Notice of Intention	Dated :	
NoI due date :		
Subsequent action :		

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Debt Recovery Action Log – Miscellaneous

Student / Staff / Company / Organisation : ____________________

Main contact name : ____________________

Debt : £ ____________ For : ____________________

Debt Recovery Steps		
Invoice	Dated :	Inv Ref :
Invoice due date :		
Statement	Dated :	
Statement due date :		
Debt letter	Dated :	
Debt letter due date :		
Formal letter	Dated :	
Formal letter due date :		
Headteacher's letter	Dated :	
Headteacher's letter due date :		
Notice of Intention	Dated :	
NoI due date :		
Subsequent action :		

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Equality and Diversity Impact Assessment

Aim and Objectives
Queens' School is committed to promoting fairness in opportunity. We therefore conduct Equality and Diversity Impact Assessments on policies to understand their potential effects on different groups of people.

Policy Assessment				
	Positive Impact	Negative Impact	No Impact	Findings
Race			✓	
Religion and/or belief			✓	
Sex (Gender)			✓	
Gender Identity			✓	
Disability			✓	
Age			✓	
Sexual orientation			✓	
Marriage and/or civil partnership			✓	
Pregnancy and/or maternity (including surrogacy and adoption)			✓	
Other identified group (e.g. carers)			✓	

Action Planning

How do you intend to mitigate or eliminate any negative impact identified?	If a positive impact is identified, how do you intend to promote or develop this opportunity?	Where negative impact has been identified, can it be justified? If so, explain how.

Monitor and Review
The policy will be monitored through feedback from stakeholders