

Oxton St Saviour's CE Aided Primary School

DEBT RECOVERY PROCEDURE

The school is responsible for pursuing all unpaid debts e.g. dinner monies, milk monies and monies from lets.

Requests for debts to be written off must be approved before they are processed. The power to approve write-offs is delegated according to the value of the debt.

- | | | | |
|----|----------------|---|--------------------------------|
| a) | Headteacher | - | below £50.00 |
| b) | Governing Body | - | over £50.00 and up to £1000.00 |

Over £1000 refer to the Director of Resources.

The amount of debt will be borne by the school.

Wherever possible, especially for items less than £50, cash should be collected instead of raising an invoice.

In the event of non-payment on a verbal request, a written reminder will be sent to the debtor. If this request is not successful an invoice should be raised.

- An electronic Invoice Request Form should be completed in full, signed by the Headteacher / person authorised to raise invoices and their name entered in print on the form and signed.
- The invoice should be e-mailed to the Accounts Receivable (AR) Team for processing and submitted from an e-mail address of a staff member authorised to raise invoices to ar@wirral.gov.uk. (NB - If the person authorised to raise invoices does not have their own e-mail address the form should be scanned in and sent be e-mail to ar@wirral.gov.uk) A signed copy should be kept at the school.
- AR will raise an invoice and send to the debtor the same day giving 10 days to pay.
- The invoice amount will be transferred to the school budget on the same day the invoice is raised.
- The admin officer should check on the next Monthly Monitoring Tab to ensure that it has been processed. Any missing invoices should be investigated.

DEBTS BELOW £50

- If the debt is less than £50 and the school wishes to pursue payment of the debt an 'Under £50 42 day cancellation memo' should be completed by the school and sent to AR with the invoice request. If no payment is received within 42 days the invoice amount will be recalled from budget on the next Monthly Monitoring Tab.

DEBTS OVER £50

- If no contact or payment is made within 10 days, AR will send out the 1st reminder letter giving the debtor a further 10 days to pay. Following this if no contact or payment is made a 2nd reminder letter will be sent giving the debtor 8 days to pay. If no contact or payment is made after this a Pre-Legal letter is sent giving a final 14 days to pay before the matter is referred to the Litigation Officer (LO).
- If no contact or payment is made AR will contact the school confirming that the debt has been referred to the LO. If the school wishes to make one last attempt to chase the debt then you must contact the LO to place a hold against the invoice. If you do not contact the LO then a 'Letter Before Action' will be sent which the debtor must pay or respond within 18 days or Proceedings will be instigated.
- If no contact or payment is made a financial assessment will be undertaken:
 - If the debtor is unemployed, has no assets of value or no further arrears accruing the LO will contact the school to recommend that the invoice is written off as not economically viable to proceed.
 - If you accept the recommendations then the authorised signatory must sign and return the write off memo. The balance of the invoice will be recalled from budget.
 - If you do not accept the recommendations then you will need to provide the supportive evidence and confirmation that you wish to proceed with Court action to the LO. If instigating Proceedings does not result in payment and the matter is referred again for write off, the invoice balance together with the Fees, Costs and Interest that has accumulated will be recalled from budget.
 - If the debtor is employed or has assets of value the school will be contacted to provide evidence in support and ask if they wish to instigate Proceedings.
- On receipt of the evidence and authorisation to instigate Proceedings a further Letter Before Action is sent giving a final 18 days to pay. If no payment or contact is received Proceedings will be instigated and Judgment will be entered.
- If no contact or payment following Judgment then Enforcement Action will be instigated.
- If Enforcement action is unsuccessful the school will be contacted to authorise the write off memo and the invoice amount together with the Fees, Costs and Interest will be recalled from the school budget.
- If payment is made in full at any point the case will be closed.

SUPPORTING DOCUMENTS REQUIRED FOR PROCESS:

Authorised Signatory List for Sundry Debtor Process
Invoice Request Template
Under £50 42 day cancellation memo

Taken to Finance Meeting dated ... 6/2/17

Approval at full Governing Body meeting dated to be ratified on,
14/3/17

Signed (Chair of Governors)