




DEBT MANAGEMENT POLICY

Approved: October 2018

Review Date: October 2019



*“What you are is God’s gift
to you, what you become
is your gift to God”*

ALL SAINTS CE SCHOOL DEBT MANAGEMENT POLICY

1.0 INTRODUCTION

1.1 The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt.

1.2 This policy sets out procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable.

2.0 POLICY

2.1 Payment should be obtained as and when goods and services are provided wherever possible; in particular where the value of the goods and services is relatively small, ie less than £100.

2.2 Where payment is not received at the time when the goods or services are delivered an invoice will be raised as soon as possible but normally within 10 days after a debt becomes due.

2.3 Invoices will require payment within 30 days from the date of issue.

2.4 A first reminder will be issued if no payment is received within 30 days.
A final reminder will be issued 14 days after the initial reminder stating that legal action will be considered if payment is not received within 14 days..

2.5 At each Governing Body/Finance Committee meeting, the headteacher is required to inform the governors of any debt which is still outstanding after the 14 day period following the final reminder together with any proposed action. This may be a referral to a debt collection agency, to solicitors for legal action or to write-off the debt if there is no realistic prospect of debt recovery being successful or if further action is not cost-effective.

2.6 Outstanding debt of up to £50 may be written-off by the headteacher provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, amount of write-off and reason for no further action being taken is reported to the Finance Committee for information at their next meeting.

2.7 Write-off of outstanding debt in excess of £50 must be approved by the Finance Committee following submission of details of the debt by the headteacher together with reasons for no further action being taken.