



Inspiring All to Excellence



Our Pride, Our Joy Ltd

Debt Policy

Document and Version Control

Document Title	Debt Policy
Effective Date	Summer 2023
Policy Owner	Chief Finance Officer
Policy Approver	OPOJ Directors

Version	Date	Amended by	Comments
V1	Summer 2023	CFOO	Issued.
V2	Autumn 2024	CFOO, Finance Manager & Finance Assistant	Amended policy to reflect the change to Arbor from Parent Pay.
V3	Spring 2025	CFO	Amended policy to add sentence regarding debt recovery once passed to Central Finance Team. All references to CFOO changed to CFO.

Section	Changes Made
Section 2 to 9	Changed procedure to reflect the procedure relating to Arbor.
Section 7 and 8	Added additional sentence to final stage for 'Recovery Process – Meals' and 'Recovery Process – Nursery Sessions, Wrap Around Care and Holiday Club'.

Introduction

- 1.1 Our Pride, Our Joy (OPOJ) has a strict no debt policy relating to the provision of before and after school clubs, holiday clubs and paid nursery sessions (“Paid Sessions”).
- 1.2 Parents and guardians are therefore expected to ensure that payment has been made ahead of a child attending a paid session.
- 1.3 When a debt is incurred, OPOJ must make payment from its delegated funds. This is money that would otherwise be spent on furthering a child’s education.
- 1.4 This Policy has therefore been implemented to assist OPOJ in adopting a consistent approach to debt with a view to complete elimination.
- 1.5 Parents and guardians should be aware that, where there is an outstanding debt, access to Paid Sessions will not be permitted until that debt is cleared.
- 1.6 OPOJ will take all reasonable measures to collect debts as part of its management of its funds and will make all parents and guardians aware of this Policy as part of the new entrant’s information. This Policy will be published on OPOJ website.

2. Lunches

- 2.1 Parents can book and pay for lunch for their child by using Arbor. Payment and meal choices should be made by 8am on the day that lunch is required, although parents can choose to book and pay for lunches for the academic year. The current cost for lunch is £2.85 (2024-2025 academic year), the costs are reviewed annually.
- 2.2 Parents should ensure that their meal account has sufficient funds available to cover the cost of the meals booked. It is strongly recommended that parents “top up” their account regularly and before booking a meal to prevent their account being in debt.
- 2.3 If sufficient funds are not available at the time of the meal being taken this will result in the account going into debt. Parents should ensure that any debt is cleared at the end of each school week. Any outstanding debt will be pursued weekly.
- 2.4 If the account remains in debt, this will be referred to the Finance Manager and debt recovery proceedings will commence.
- 2.5 To help minimise food waste, a new option for ‘packed lunch from home’ will be available. Our caterer’s policy is to prepare children a hot dinner and issue a charge for this unless a packed lunch has been booked in the app or brought to school by 10:30 a.m. each day. The payment for the lunch will need to be made at the end of the day on which it was consumed.
- 2.6 If payment is not made within 10 working days, then the child will no longer have the option of a school lunch and will be expected to bring a packed lunch. Access to the booking system for meals will be permanently withdrawn.
- 2.7 The cost of lunches will be published on OPOJ website at regular intervals and documented in the Charging and Remissions policy.

3. Paid Nursery Sessions

- 3.1 Invoices will be sent to parents in the middle of each month relating to the following month's sessions that have been agreed on the point of enrolment. The invoices for paid sessions need to be settled by the due date for your child to be able to attend the paid sessions.
- 3.2 Payment is required for all paid sessions that have been booked even if the child does not attend, the exception being when the nursery is closed.
- 3.3 Should the child no longer require a Nursery place the parent/carer should inform the Nursery Manager and give four weeks' notice, otherwise the parent/carer is still liable for charges.
- 3.4 Should the parent/carer fall into arrears and not clear the debt within 10 working days the nursery place will be suspended until the debt is cleared.
- 3.5 If the account remains in debt, this will be referred to the Finance Manager and debt recovery proceedings will commence, and the paid nursery place will be permanently withdrawn.

4. Breakfast and After-School Clubs

- 4.1 To secure a place in the Before and After school club parents should contact the Care Club Supervisor to complete a registration form and request a place. The Care Club Supervisor will confirm availability.
- 4.2 Charges will be applied to the Arbor account in the middle of each month relating to the following month's sessions. The charges for the care club sessions need to be made before the sessions take place for your child to be able to attend.
- 4.3 Parents will receive an email informing them that the sessions have been applied to their Arbor account and confirming the payment due date.
- 4.4 Parents should ensure that their Wraparound Care account has sufficient funds available to cover the cost of the sessions booked. Parents should "top up" their account by the due date to prevent their account being in debt.
- 4.5 Payment is required for all paid sessions that have been booked even if the child does not attend, the exception being when the school is closed.
- 4.6 Should the child no longer require a Care Club place the parent/carer should inform the Care Club Supervisor and give four weeks' notice, otherwise the parent/carer is still liable for charges.
- 4.7 Should the parent/carer fall into arrears and not clear the debt within 10 working days the Care Club place will be suspended until the debt is cleared.
- 4.8 If the account remains in debt, this will be referred to the Finance Manager and debt recovery proceedings will commence, and the Care Club place will be permanently withdrawn.

5. Holiday Clubs

- 5.1 Invoices will be sent to parents three weeks prior to the holiday club commencing relating to sessions that have been agreed with the Wraparound Care Club leader. The invoices for the Holiday club need to be settled by the due date for your child to be able to attend the sessions.
- 5.2 Any sessions reserved must be paid in full regardless of attendance once the invoices have been processed.
- 5.3 Should payment not be received prior to the child attending then the child will not be able to attend the holiday club, and the place will be cancelled.

6. Debt Reporting

- 6.1 The Finance Assistant will produce a debt report monthly for the CFO, Finance Manager and Regional Manager to review. The report will include debts recorded on Arbor and Xero.
- 6.2 Suitable records will be maintained to detail individual debts and the total value of debt in each setting. The debt will be reported to OPOJ Directors each term, the Directors will review the level of outstanding debts to determine whether action to recover debts is effective.
- 6.3 Details of all debt recovery actions will be documented and retained for 7 years.

7. Recovery process – Meals

Stage 1 – Weekly emails will be sent to all guardians whose Meal accounts are in debt by £5 or more requesting payment.

Stage 2 – Fortnightly debt letters will be sent to all guardians whose Meals accounts are in debt by £14.25 (the cost of 5 meals).

Stage 3 – Debts over £50 will be referred to the Central Finance Team and recovery action will commence. If the debt has not settled by this point, this may result in a referral to the small claims court.

8. Recovery process – Nursery Sessions, Wrap Around Care and Holiday Club

Stage 1 – A reminder email is sent the day after the payment is due.

Stage 2 – A reminder email is sent 5 days after the due date to inform parents that non-payment will result in cancellation of sessions.

Stage 3 – An email will be sent stating the sessions will be cancelled with one week's notice.

Stage 4 – Any outstanding debt will be referred to the Central Finance Team and recovery action will commence. If the debt has not settled by this point, this may result in a referral to the small claims court.

9. Negotiation of repayment terms

9.1 Parents and guardians are expected to settle their accounts in line with the process above. Parents are encouraged to discuss any payment issues with the Finance Team who will consider the repayment terms. Failure to meet any repayment terms will result in the Trust reverting to the Debt Recovery Process.

9.2 The Trust reserves the right to review, reduce, or cancel debts at their discretion where exceptional circumstances apply. The Trust will maintain a sensitive approach to debt recovery, taking the following factors into account.

a) Hardship: where paying the debt would cause financial hardship.

b) Ill health: where our recovery action might cause further ill health.

c) Time: where the debt is so large compared to the person's income that it would take an unreasonable length of time to pay it all off.

d) Cost: where the value of the debt is less than the cost of recovering it.

e) Multiple debts: where someone owes more than one debt to the Trust. In this situation an attempt to agree one repayment plan to include all debts will be established.

9.3 If a debtor requests for 'repayment terms' these may be negotiated at the Trust's discretion.

9.4 A record of all such agreements will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment.

9.5. Whether an extension is granted will be entirely at OPOJ's discretion, and OPOJ reserves its rights to cancel any such arrangement where it feels it is necessary.

10. Costs of debt recovery

10.1 Where there is an additional cost in recovering a debt then OPOJ Directors will decide whether to seek to recover such costs from the parent or guardian.

10.2 The parent or guardian will be formally advised in writing that they will be required to pay the additional costs incurred by OPOJ in recovering the debt.

10.3 This decision and its basis will be recorded and reported to OPOJ Directors.

11. Debt write-off

11.1 Bad debts will be written off in accordance with the Financial Scheme of Delegation as detailed below. The write-off of bad debts will be considered each month by the CFO following the debt recovery process being carried out and documented.

11.2 A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

Individual Debt amount	Approval to write off
Up to £250	CFO (Decision reported to OPOJ Directors)
£250 to £2,500	Finance Committee (Decision reported to OPOJ Directors)
Over £2,500	Trust Board

12. No recourse to public funds

12.1 Families are encouraged to make contact as soon as possible if they are unable to pay their invoice or are experiencing financial hardship.

12.2 Families with no recourse to public funds despite their financial circumstances can apply for discretionary funding to support their payment of Lunches only.

12.3 This support is capped and will not be offered for Before, After or Holiday clubs or additional nursery sessions that are not funded.