



Our Lady of Good Help

Catholic Primary School

Financial Management Policy

(Financial Management Regulations & Procedures)

Last reviewed: January 2024

Next Review: January 2025

'Like Our Lady, we live wisely, think deeply and love generously in Christ.'

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Background

Consultation

1. Liverpool Schools Finance, particularly
 - a. Schools Finance (LCC for schools)
 - b. Budget Officer
2. Full Governing Body - Finance Committee
3. Staff, particularly Headteacher and Senior Management Team

Documentation

1. Liverpool City Council Scheme for Financing Schools
2. Liverpool City Council Standing Orders & Financial Regulations
3. Cheque Book Procedures & Cash Handling

(The full LCC Financial Procedures Manual is available from the School Office)

1. Responsibility & Accountability

Our Lady of Good Help School recognises the need to define the responsibilities of each person involved in the administration of Schools finances. This is necessary in order to avoid the duplication or omission of functions and to provide a framework of accountability for the Governors and staff.

The Liverpool Schools Finance

LCC Schools Finance department determines the Scheme of Financial Management, Financial Regulations and Standing Orders that relate to its maintained Schools. The Schools Finance Department consults School Governing Bodies on proposed alterations to the Scheme of Financial Management. The Schools Finance Department arranges for the audit of the Schools financial organisation when it deems to be appropriate.

The Schools Finance Department makes available certain sections and Officers to assist the School in carrying out its financial responsibilities e.g;

The Assigned MSE Officer

The Assigned Budget Officer

The Assigned School Partner (S I P)

Our Lady of Good Help School buy in Financial Support from SIL (School Improvement Liverpool) for 6 full day on-site/online visits by the Budget Officer. Each visit comprises of a full Budget Monitor plus a Financial Summary & Budget Report.

Our Lady of Good Help School buy in support from Governor Services (SLA) for Clerking (Full GB Meetings) & Governor Training.

The Governing Body

The Governing Body has the statutory responsibility for the oversight of the financial management of the School. The Governing Body has established a Finance Committee to assist it in carrying out this responsibility. The Finance Committee has a Constitution and Terms of Reference approved by the Governing Body. The Committee meets at least once per term and the minutes of the meetings together with budget updates are submitted to the Governing Body.

The Finance Committee consider and submit the Annual Budget in line with the School Development Plan and the attainment of targets, subject to approval and any amendments by the full Governing Body. Full approval must be sought before submitting the budget to the LA.

The Governing Body is responsible for the overall financial policy making e.g. the limits of delegation, reporting arrangements and charging policies. The Governing Body must ensure that a 'Register of Pecuniary Interests' is kept up-to date. The register is maintained and stored by the Office & Facilities Manager.

The Governing Body sets the priorities for future expenditure. This financial plan correlates with the School Development Plan.

Finance (Staffing & Buildings) Sub Committee

The Committee comprises of 5 Governors and the Headteacher.

The Finance Committee approves the first formal budget plan and all revisions to it and submits for consideration by the Full Governing Body. The Committee monitors value for money and considers the areas of potential savings, and the virement of those savings into specific areas where educational standards can be improved.

Orders for goods and services up to the value of £3,000 may be approved by the Headteacher. Orders in excess of £3,000 must be approved by the Finance Committee.

Three quotes are requested for all items above £3,000

Recommendations are made to the Governing Body to expend funding that becomes available during the financial year of both a capital and of revenue nature (e.g. from budget savings, additional income etc). These proposals will be consistent with the School Development Plan and the Governing Body's expenditure plan.

The Headteacher

The Headteacher delegates the duty to the Office & Facilities Manager to arrange for quotations for work on behalf of the School in accordance with City Council Standing Orders. Liaison also takes place with the Finance Committee of the Governing Body.

The Office & Facilities Manager is responsible for the day-to-day management of the Schools delegated budget, and to ensure that a sound system of internal control is in place and must report to the Headteacher who has ultimate responsibility.

The Headteacher is also supported by both Assistant Headteachers and the Office & Facilities Manager in ensuring that the processing of School financial transactions takes place. The Headteacher is also responsible for ensuring that the Schools Finance Department financial regulations and DfE's financial requirements are implemented.

The Headteacher and the Office & Facilities Manager advise the Governing Body and Finance Committee of the on-going management of the Schools delegated budget and on proposals to amend the Scheme of Delegation.

The Headteacher oversees all School expenditure and income, checks and authorises payments made against invoices. Headteacher has access to the Financial Management System FMS and is a signatory for cheques.

The Office & Facilities Manager

Working with the Headteacher, the Office & Facilities Manager will prepare an annual budget for the school to be submitted to the Governing Body, and will provide specific expertise in long-term financial management.

The Office & Facilities Manager will be responsible specifically for ensuring the school has appropriate financial systems and manages all aspects of the school's financial systems (including voluntary funds such as the PTA Account) in accordance with these agreed policies, ensuring

accurate financial records are maintained, and reporting on a regular basis to the Headteacher, Senior Management and Governors.

The Office & Facilities Manager is responsible for overseeing all financial matters and ensures that all spending is closely linked to the aims and priorities as set out in the School Development Plan.

The Office & Facilities Manager will be responsible specifically for ensuring the daily operation of the FMS financial module including processing requisitions, ordering and prompt payment of invoices.

2. The Budget

The Schools delegated budget has an influence over the whole cycle of School life. Budgetary control is a continuous process in which the School reviews and adjusts budgetary targets during the financial year. It also allows for a mechanism for accountability and control. The allocation of resources is targeted to reflect the Schools purpose and aims set within available resources. The emphasis is then on the achievement of the Schools aims rather than on purely monetary inputs.

The educational plans for the School for the current financial year are included in the School Development Plan.

The Head teacher will:

- a. Advise the Governors on the estimation of expenditure and income for the next financial year.
- b. Forward a copy of the budget approved by the Governing Body by the 31st May each year, and any subsequent budget changes, to the LA Finance Team.
- c. Report on the process of budget expenditure and income at Governors' meetings, as required by the Governing Body.
- d. Determine the arrangements for the delegation of certain elements of the budget to the budget holders. The Office & Facilities Manager will attend all Finance Committee meetings and share all financial reports and documentation set out by the Budget Officer.
- e. Report to the Governing Body any proposal for policy changes, which significantly affect the Schools delegated budget.

3. Internal Financial Control

Our Lady of Good Help School has a system in place for processing and recording financial transactions. This is important as the information contained in the Schools record system will be used to inform the decisions that the Governing Body and the Headteacher will take. Therefore, this information must be as accurate as possible.

Authorisation commitments and orders up to £3,000 is the Headteacher's responsibility.

Processing orders: Office & Facilities Manager

Checking of delivered stock: Office Staff

Checking invoices and raising payment: Office & Facilities Manager

The description of financial systems and procedures in place in the School are contained in this document and are subject to annual review. The LCC Financial Procedures of how the Schools system operates are kept in the School Office. Copies are available on request.

LCC Scheme for Financing Schools

Standing Orders & Financial Regulations

Cheque Book Procedures & Cash Book Handling

Segregation of duties will be in place at all times as is appropriate including at times of cover.

Signatories for FMS cheques can be any two of the following:

Headteacher (Mr M McQuiston)

Assistant Headteacher (Mrs H Edwards)

Teacher (Mrs L Cooney)

Access to SIMS FMS accounting records is restricted via individual passwords to:

Headteacher

Office & Facilities Manager

Transactions and Authorisations

All of the School's transactions should be traceable from the start to the finish of the process ensuring compliance with the school's regulations and segregation of duties at all times.

1. Staff members must follow school's protocol when requesting resources. No orders will be placed without a form duly signed and authorised by the Headteacher. Telephone and online orders **must not** be placed without permission.

2. The Office & Facilities Manager checks that there are funds available within the school budget and then passes to the Headteacher for consideration and approval. The Office Manager will

provide advice to the Headteacher to where expenditure exceeds budget available, corrective action available and implications of decisions. The Headteacher approves those orders that can be processed.

3. The Office & Facilities Manager will then process the approved order. The order is entered on the FMS system and copies of the paperwork are placed on file.

4. The order is e-mailed or submitted on-line. On receipt of ordered goods, the office staff check the items against the original order and delivery note. If the order is incomplete the Office & Facilities Manager will contact the company concerned. If the order is complete, the delivery note is attached to the invoice for payment or filed with the Chargecard statement.

5. On receipt of the invoice the Office & Facilities Manager checks the invoice against the delivery note before payment is processed. The Office & Facilities Manager checks the funds available at the bank to ensure sufficient funds are available. The Office & Facilities Manager then authorises the payment by initialling the original invoice. The paperwork is first passed to the first cheque signatory who checks it for accuracy and then signs the cheque. The paperwork is then passed to the second cheque signatory who also checks it for accuracy (e.g. that the cheque number corresponds with the number on the authorisation slip, that the figures on the authorisation slip, the cheque and invoice all correspond, that the cheque 'payee' is also correct).

6. Extra checks include:

- Keeping the cheques locked away securely.
- Never signing the cheques in advance of receipt of an invoice or processing of a non-order invoice.
- The Office & Facilities Manager submits monthly MSE reports to the LA.
- Alterations to official paperwork or documentation being made in ink and correction fluid not being used. Documentation will be securely stored and will be retained in accordance with LA, DfE and audit requirements (6 years).

4. Insurance

Our Lady of Good Help School has risks, which it needs to be protected against by insurance. The School recognises the need to review its exposure to such risks on a regular basis to ensure that cover remains adequate.

The School has a Balance of Risks policy through the LA Insurance and notifies the LA if additional cover is required for school trips, particularly for those involving outdoor pursuits and residential.

Employer's Liability

The School informs its insurers of accidents; losses and other incidents, which may give, rise to an insurance claim. Insurance arrangements cover the use of an item of School property when off the premises, except in the case of it being left in open or in an unattended car.

5. Computer Systems

The School's use of computers to process and record financial and other management data has expanded in recent years. The School seeks to protect the storage of such information.

The Headteacher and Governors are registered in accordance with the General Data Protection Regulation 2018.

There is a defined procedure for the backing up of the main LMS computer system. Data is backed up daily by Remote Access. All data is also backed up to the main school server on a daily basis and managed by (MGL).

Only authorised staff has access to the SIMS computer system.

6. Purchasing

Our Lady of Good Help School seeks to achieve the best value for money from all its purchases. This will entail what is needed in the best quantity, quality, time and the most favourable price.

Value for Money

The School will seek to establish what is the best price for goods it wishes to purchase. The School will initially consider contract prices negotiated by the City Council/Archdiocese and will take advice, where appropriate and where there is a service level agreement in place, from sections of the Local Authority.

The Office & Facilities Manager makes all the necessary arrangements for building works necessary to School and acts in accordance with the Liverpool City Council Standing Order arrangements as follows:

Work up to and including £3,000

There is no specific requirement for a number of quotations but we continue to seek 3 on all occasions.

Work over £3,000

Three written or verbal quotations will be obtained. The Headteacher is delegated to authorise and must ensure that a record is kept in school.

Work over £20,000 and £100,000

Archdiocese (Arcadis) are responsible for tenders/purchases between £20,000 and £100,000. the onus is on the Governors to be involved in or ensure a proper procurement process has taken place, to increase transparency and minimise the risk of fraud and irregularity.

Work in excess of £100,000

Any major purchases or contracts which are to be undertaken in excess of £100,000 shall be subject to public tender and advice sought by the governing body from the Archdiocese relating to the procedures to be followed.

We will follow and comply with Liverpool City Councils Model Financial Regulations for Schools. This will include referring to the LA/Archdiocese for advice on tendering at the value specified by the LA.

Orders for Goods and Services

Only computerised, numbered, official orders are used. In the case of 'non-order' services (e.g. water, gas, electricity), 'non-order' invoices are raised in the FMS computer system. Orders are not raised to obtain goods or services for private use.

Copies of orders are securely retained in alphabetical order. The Headteacher will authorise all orders. Careful budget monitoring takes place and it is ensured that SIMS computer printouts detail expenditure and income as it is committed and reconciled.

Payment of Accounts

The School procedures for checking goods received and for the authorisation of payment are detailed below:

- a. Invoices are carefully checked and certified for payment by the Office & Facilities Manager then re-checked by the 2 cheque signatories.
- b. Goods or services should be cross referenced with the original order and documentation attached to the order and invoice. A check should be made that payment has not already been made before the invoice is processed for payment. Notice is taken of any discount offered.
- c. There is a correct accounting for VAT on orders.
- d. Once invoices have been certified for payment they should be stamped, signatures complete and cheque advice slip (evidence of cheque number) attached before filing.

7. Personnel

The largest item of expenditure at Our Lady of Good Help School is the School staff. The Governing Body decides each year on the number of staff to be employed and the payroll is administered by LCC HR & Payroll, as part of a Service Level Agreement.

The Governing Body arranges all staff appointments and the allocation to the teaching staff of extra responsibility points. The Governing Body considers changes to the structures as and when required.

The Headteacher or appointed representative informs the LA of any changes in staffing, as they occur. The School retains staffing records securely within the School Office.

Any requests for overtime, additional staff payments should be submitted in the first instance to the Office & Facilities Manager before approval by the Headteacher.

Overtime and any additional staff payments can only be authorised by the Headteacher. Permission for overtime should be sought from the Headteacher prior to completing the additional hours.

Staff expenses can only be authorised by the Headteacher and must be supported by appropriate receipts where applicable. Mileage claims can only be made by staff where this covers the actual mileage travelled on behalf of the School in a business capacity and should not cover home to school mileage. Mileage rates used are those advised by LCC. Where appropriate, and in relation to achieving best value, staff should consider the cost of mileage against the cost of second-class rail fare and should in most cases adopt the cheaper of the two methods. This includes trips to courses outside Liverpool. Mileage claims are processed through the LCC payroll service.

Prior to the payroll deadline each month a full list of all expenses, overtime, additional hours and payments or any other changes to staffing salaries will be approved by the Headteacher. The Office & Facilities Manager will ensure that the payroll system (Oracle) is accurate including any changes prior to payroll deadline.

The payroll provider sends monthly confirmation of the Schools expenditure on its staffing on an individual basis.

The Office & Facilities Manager checks this for accuracy against the school establishment list and against items approved as per above. Any omissions or discrepancies are notified to the Headteacher and corrections to payroll to be actioned. On a monthly basis on receipt of the hierarchal from the LA a central payment is entered into FMS system. A final reconciliation is carried out by the Office & Facilities Manager, and checked on termly visits by the LA budget officer so that there is a double check on the figures entered into the system.

8. Security

The School seeks to ensure that School property is secure and maintained keeping in line with LCC Health & Safety guidance and Risk Management.

The Headteacher, Caretaker & Office & Facilities Manager carry keys to the School. We also have 2 secure laptop trolleys. There is 1 safe on the premises.

All visitors to School may gain entrance from the main Reception area, which has a controlled entry system. Once allowed into School visitors must sign in using the inventory system and will be issued with a visitor's pass if they need access to the School. Visitors will all be requested to provide proof of a DBS certificate and photo ID where necessary. Visitors without this documentation (if meeting a member of staff by arrangement) will be accompanied by a member of staff at all times.

All visitors/agency staff to the school are given a copy of our Safeguarding document to read before they commence a duty.

Children are told not to open the door to unknown adults and report any visitor not wearing a pass. They are told not to challenge any adult in these circumstances but to inform a member of staff.

The Headteacher and staff are responsible to the Governing Body for the safe custody of property and cash, which belongs to the School.

An inventory shall be kept of all items with an intrinsic value to the school's aims and objectives. In addition, there would normally be an expectation that items with a value of £1,000 or more are included on an inventory.

9. Income and Banking arrangements

The Headteacher is responsible for the opening and operation of the school's bank account from which the school will issue cheques to meet all expenditure in their delegated budget and pay-in their Authority Allocations, VAT reimbursements and income due to the school.

The school recognises the importance of proper administration of the school FMS bank account and regular bank reconciliation to efficient financial control. Cash and cheques received as income are credited promptly to the school's account and must not be used to defray any expenditure, including petty cash. The arrangements for the depositing of income into the school account is that of the Office & Facilities Manager.

The school bank account is with Lloyds Bank.

Headteacher to authorise all BACS payments.

The school does not negotiate overdraft facilities. The governing body may set limits to the maximum value of any individual purchase. The school retains all cheque advice slips, paying in books and the school credit card is stored securely in the school safe. No cheques are pre-signed. In line with the amended Liverpool City Council standing orders the school may utilise a bank credit card to facilitate payments of goods.

School currently has 3 Direct Debits set up with Lloyds Bank.

Water Plus

EDF Energy (Electricity)

Maxxia (Laptops)

10. Bank Reconciliations

Our Lady of Good Help School recognises the importance of accurate administration of the School FMS bank account and of regular bank reconciliation to efficient financial control.

The School has full chequebook management. Bank statements are received weekly and are also available from our online banking system. When received they are reconciled within the Schools FMS system. A monthly bank reconciliation and statement of expenditure is completed by Schools Finance via an SLA.

Income

Staff at school involved in the receipt of cash e.g. school trips are aware of their responsibilities. All transactions are properly documented and receipted.

Segregation of duties is applied to the invoicing and receipt of income and to the recording and banking of receipts.

The Office & Facilities Manager ensures that all income is entered on FMS in a timely manner. The School's main income is from the LA and appears on the school budget form as Funds Delegated by the LA, High Needs Top Up and Pupil Premium. The Office & Facilities Manager monitors the income from the LA to ensure that is received on time and recorded properly.

The school employ a local catering consortium 'Food for Thought'. School meals are charged at £2 per day and school requests for payments to be made on a Monday. All monies received are recorded by the Admin Officer, counted and checked by the Office & Facilities Manager prior to banking.

School trips are currently conducted using the same process.

11. Petty Cash/BACS Payments

Petty Cash is available at Our Lady of Good Help School for minor purchases. Its administration is designed to follow defined guidelines. Petty Cash/BACS payments are used for approved purposes and records are maintained.

The Office & Facilities Manager administers all Petty Cash/BACS payments. The maximum amount of petty cash drawn from the bank is £200. The cash is drawn from the bank by the Headteacher/Other Signatory – NOT the Office & Facilities Manager (as per Lloyds Bank guidelines – Sept 22)

Regarding the maximum amount of petty cash issued per transaction, the School takes heed of City Council Standing Orders and is limited currently to £50 per transaction. Petty Cash is secured in the safe. The Office & Facilities Manager monitors the amount and use of available petty cash.

Claims for petty cash/BACS reimbursements are properly certified, as follows:

- All petty cash/BACS claims are authorised by either the Headteacher or Office & Facilities Manager prior to payment.
- Completed receipts should list all purchased items, clearly and separately. Simple till receipts not identifying individual items are not acceptable. The name of the company who provided the goods should be clearly shown.
- In cases where VAT is incurred, the VAT should be listed as a separate item and the company's VAT registration number should be clearly shown.
- The petty cash/BACS certification vouchers will be securely filed and will be made available to the Headteacher, an auditor or any other authorised person, on request.
- Personal cheques **will not** be cashed from petty cash.

12. Voluntary Funds (PTA)

All donations and monies received for events and in-house activities are paid into the PTA Account (TSB).

Annual accounts are registered with the Charity Commission.

13. School Credit Card Policy

May 2022

The use of the Credit Card by Our Lady of Good Help School is governed by LCCs Scheme for Financing Schools. **Under no circumstances can a school have a debit card.**

The governing body has approved the use of the Credit Card and these procedures will be included in the 'Schools Finance Policy' approved by the full governing body, May 2022.

From time to time the school may be offered an opportunity to purchase goods or arrange for services for the school from companies that shall not invoice but shall only accept a direct payment. In order to make use of these best value offers, the school holds a credit card. The Office & Facilities Manager will ensure that there is budgetary provision for all purchases and that there are sufficient balances available in the bank to cover the expenditure

The primary method of payment remains invoicing and this shall generally be used in preference to card purchases where such is offered by the supplier.

- Our Lady of Good Help School has one person who is the cardholder (Headteacher)
- The card must have LCC as part of the name on the credit card
- The card shall be stored in the school safe when not in use.
- The PIN number for the card shall be known only by the cardholder & Office & Facilities Manager and not disclosed to anyone else or written down.
- Should the card be lost or stolen the loss shall be reported by the cardholder to the issuing bank, the police (only if the card has been stolen) immediately.
- Should fraud or misuse be suspected, the bank and LCC (Schools Finance Team (SIL) and Internal Audit) should be informed immediately so that the appropriate action can be taken.
- The credit card shall have a spending limit of no more than **£5,000**.
- The credit card balance is settled in full automatically each month thereby avoiding credit card interest charges.
- The card statement will be cross referenced with the original purchase receipts by the Office & Facilities Manager. The credit card statement should be entered into the school's financial management system as soon as possible as a 'Cash Book Journal'. The journal must itemise each purchase made on the card (Net and VAT) against the appropriate ledger code ensuring that the total of the journal reflects the total on the credit card statement. The Office & Facilities Manager and headteacher will then sign the statement as confirmation of reconciliation. The Cash Book Journal and original purchase receipts, together with the credit card statement, should be kept on file, to ensure the completeness of the accounting records & ready to be checked during visits by the Schools Budget Officer (SIL).
- All receipts/ journal print outs shall be authorised by the Headteacher.
- The cards shall not be used for personal expenditure under any circumstances or for purchases on behalf of a third party.

- **Cash withdrawals are not permitted.**
- **The authorised cardholder shall sign the ‘cardholder consent form’ to accept that they have personal responsibility for transactions on “their” card which are not conducted with the approval of the school in accordance with this policy. The cost of any unauthorised transactions and where reimbursement is not received then the cardholder will be subject to gross mis-conduct.**

Separation of duties is fulfilled by the following:

- All purchases will be made by the Office & Facilities Manager providing they have sufficient budgetary provision, the Headteacher or the Assistant Headteacher must authorise the purchase.
- The headteacher authorises receipt of transaction submitted by cardholder.
- The Office & Facilities Manager records expenditure on the schools FMS system.
- Office & Facilities Manager to reconcile direct debit on bank account statement against credit card statement;

Purchases under £200

- May be off-site but must be kept to a minimum and approved prior to purchase
- A VAT (if applicable) receipt must be obtained

Purchases over £200

- Must be ordered on the school premises by the authorised cardholder/Office & Facilities Manager only
- All orders must be delivered to the school address
- A VAT receipt must be obtained
- Must have record of receipt of goods/service at school, i.e. delivery note
- When using the credit card, the money will be taken from the bank account once the purchase is complete although the goods may not have been received

Note: *We understand that non-adherence to this policy/regulation may result in the withdrawal of the credit card facility from the school and in certain circumstances the issuing of a notice of concern or withdrawal of delegation.*

14. Debt Management / Recovery Policy

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

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

General Debt

Payment should be obtained as and when goods/services/facilities are provided wherever possible, where the value of goods and services are relatively small i.e. less than **£100**.

Where payment is not received at the time when the goods/services/facilities are delivered an invoice must be raised as soon as possible, but normally within 7 days of the goods/services/facilities being provided.

Invoices should state that the bill is due and payable at the invoice date.

If no payment is received within 21 days from date of issue of the invoice a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where only part of the debt has been settled a final reminder for the balance outstanding should be issued 21 days from the issue of the invoice. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

Where a debtor requests permission to settle the debt by instalments and extend the normal terms and conditions of supply they must submit an application in writing explaining the reasons for their inability to meet the original contract terms. The HT and Chair of Finance Committee will agree the revised terms, which must not exceed 49 days from the date of issue of the invoice. If the debt is not settled within the terms set by the HT and chair of FC then a final reminder should be issued to the debtor. The final reminder should clearly state that legal action will be taken if the debt is not settled in full within a further 14 days of the date of the reminder.

At each meeting of the GB/FC, the HT 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 solicitors for legal action, a debt collection agency 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.

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

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

A write-off must not be communicated to the debtor. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records

Individuals or organisations that have previously defaulted on payments to the school are not allowed credit facilities.

Where a debtor's payments are regularly or consistently paid outside the terms of supply the HT must consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities at the time they are consumed.

School Meals

Payment for school meals should be made weekly in advance. This would normally be the Monday of the week for which the meals are being paid for in accordance with *LCCs Charging & Remissions Policy (Appendix 6, LCC's Financial Regulations & Procedures)*.

Children will not be provided with a school meal unless it is paid for, except for those that are entitled to free school meals. If parents/carers believe that their child may qualify for entitlement to free school meals, they should be advised to contact the 'One Stop Shop' or School Office. This allowance is a statutory right and it is important that parents are encouraged to register for free school meals if they are entitled, as this also enables the school to access Pupil Premium funding.

Any arrears of dinner money that arise must be pursued by the school on a weekly basis.

On the first day of non-payment, a member of office staff will attempt to contact the parent in person or by telephone to discuss the debt and requesting payment on the following day.

If dinner monies remain outstanding at the beginning of the second week, a reminder letter should be issued to the parent.

If dinner monies remain outstanding at the beginning of the third week, a final warning letter must be issued to the parent. This letter will remind the parent of the previous reminder letter and the current amount outstanding. The letter will also inform the parent that if the debt remains unpaid, the school will refuse to provide a school meal for the child and the parent will need to provide the child with a healthy packed lunch, or be taken home for lunch.

If dinner monies remain outstanding at the beginning of the fourth week, a notification of withdrawal of school meals letter must be issued to the parent. This letter will give the parent a final opportunity to clear the outstanding debt. The letter will inform the parent that if the debt is not cleared in full, the child will not be provided with a meal with effect from the following Monday. The parent will be advised to make alternative arrangements for the child's lunch.

Arrangements can be made to clear any dinner money debt by instalments, however, the amount should be acceptable to both the school and the parent.

Social services may also be informed that these parents are not carrying out the 'responsibility of care' by failing to provide food for their child at lunchtime. It is not the responsibility of the school to provide lunch for pupils, it is the responsibility of the parent to provide a meal, either a school lunch, packed lunch or to take the child home.

This debt management policy in respect of dinner monies includes the refusal to provide a school meal when the parent has not paid or made any contact with the school and payment has been outstanding for 4 weeks. This policy is intended to keep debts to a minimum and thereby avoid the cost of a referral to solicitors for legal action or debt collection agency, or to write-off the debt if there is no realistic prospect of debt recovery being successful. This course of action would not be cost-effective with the amounts concerned.

At each meeting of the Finance Committee, the HT is required to inform the Governors of any outstanding debt.

Outstanding individual school meals debt of up to **£50** may be written-off by the HT provided that the appropriate follow-up action outlined above has been taken and the details of the debtor, amount written-off and the reason for no further action being taken is reported to the finance committee for information at their next meeting.

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

A write-off must not be communicated to the parent. It is not an acknowledgement that the debt does not exist, but is an internal transaction in the accounts of the school, which removes the debt from the records.

By implementing this debt policy, school aims to manage its school dinner money effectively, by reducing administration time and costs involved chasing dinner money and general debts.

Most importantly, to ensure that money which should be spent on the children's education now, is not used to pay for debts incurred by parent and debtors.

Policy Agreed by Governors

Signed by Chair:

Date:

Signed Headteacher:

Date:

Policy Review date: **January 2024**