



Ryelands Primary and Nursery School

Debt Management Policy

The Debt Management Policy is based on best practice advice from Lancashire County Council (LCC).

The implementation of this policy will be monitored Headteacher in consultation with the Leadership Team and a nominated Governor.

This policy will be reviewed as appropriate by The Senior Leadership Team

Approved by _____ (Headteacher)

Date: _____

Approved by _____ (Governor)

Date: _____

Policy Created		February 2017	
Presented to Governors for approval		February 2017	
Proposed Next Review Date:		1 Year / April 2022	
Policy Review Summary			
Date:	February 2018	Date:	22.4.21
Key Changes <ul style="list-style-type: none"> None made Policy agreed at Finance, Health & Safety Committee meeting 29/1/2018 		Key Changes <ul style="list-style-type: none"> Amendments to 2.3, 2.4, 2.6 and 2.7 	
		Presented to Governors: Staffing, Finance, Buildings & H&S 26.4.21	

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 should require immediate payment.
- 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 £200 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 £200 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.