



ARREARS POLICY

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Date of Next Review	Spring 2029

ARREARS POLICY

Policy Overview

This policy outlines Inspire Multi Academy Trust's approach to arrears and collection of monies owed for payment of supplies and services, inclusive of our actions in response to arrears.

If debts are incurred, then the individual academy budget has to pay for them. For the academy trust, this means that money, which should be spent on the children's education, is used to pay debts.

Neither our individual academies, nor the trust as a whole is able to sustain debts, as they are a significant drain on our financial resources.

This policy covers all arrears incurred including, but not limited to the following:-

- Community Lettings
- Dinner Money
- Breakfast and Afterschool Club School Payments
- Trips and Excursions
- Any other payments for supply of goods and or services

If customers, parents or carers are having trouble in settling arrears, they are encouraged to contact the academy at the earliest opportunity.

Lettings

The academy trust welcomes the use of our facilities on a lettings basis to community groups and businesses within the local area e.g. Youth Clubs, exercise classes etc.

The trust operate a strict no debt policy in respect of lettings. In most instances, customers are asked to pay in advance for use of the facility however upon agreement with the Headteacher we can offer a monthly invoicing arrangement (for customers who wish to use the facility weekly, or multiple times a week). All invoices should be settled within 28 days of the invoice date.

Payments outstanding for longer than one week for one off use or one month for monthly account customers will be classed as unpaid debts.

Unpaid Monies

If customers are experiencing difficulty with making a payment, they are encouraged to contact the academy to discuss a payment arrangement.

When a customer has failed to make payment within 28 days of the invoice date, the academy will refer the matter to the Local Authority.

Dinner Money, Breakfast and Afterschool Payments

If parents believe their child might be entitled to Free School Meals, please contact the school office for more details. This allowance is a statutory right and it is important that parents use it if they qualify. We will help parents with their application if necessary.

The Trust operate a strict no debt policy. Parents should ensure:-

- Dinner money is paid in advance, either termly, half-termly or on the first school day of the week.
- Breakfast and Afterschool Club payments must be made in advance when booking a place, failure to do so may result in the child being unable to attend the club
- The preferred method of payment is via the online payment system, cheque or cash.
- Payments made to the school in cheque or cash form should be placed in a sealed envelope, clearly marked with the child's name and class and handed to their class teacher.

We appreciate circumstances change and there may be rare occasions when a child may unexpectedly need a school meal. In this case, payment should be made on that day.

Payments outstanding for longer than one week will be classed as unpaid money/debts.

Unpaid Monies

When a pupil has failed to produce their dinner money for the week, the individual academy may allow a meal to be provided where it is felt that this is a temporary situation e.g. money lost on the way to school, domestic problem etc. In this situation, parents will be contacted by the school office who will inform them and request that parents pay for the meal the following school day.

In exceptional circumstances if a pupil has attended the breakfast or after school club and the parent has failed to book in advance to pay for the place, parents will be contacted by the school office who will request payment for the outstanding session on the following school day.

If parents are experiencing difficulty in settling their debt, the Trust encourages them to engage with the academy at the earliest opportunity who will try to offer support.

Where a debt is incurred, the academy will:-

- **Stage 1** – 1 week after the debt commences, **a reminder letter or text** will be issued from the school office detailing the amount outstanding and the date payment should be made.
- **Stage 2** – 2 weeks after the date of the Stage 1 Letter, if payment is not forthcoming, the matter will be **referred to the Headteacher** and a letter will be issued on their behalf, outlining the total amount of arrears, and requesting the payment is made immediately. Within the letter, the parent will be **invited to meet with the Headteacher** to discuss the debt.
- **Stage 3** - If payment is not forthcoming, the **parent will be asked to send in a packed lunch** or if they choose, they may wish to take the child home for lunch until the debt is clear. **The Headteacher will invite the parent into school to discuss the debt.**

A date for the repayment of the debt will be agreed, where necessary offering a payment arrangement.

If in the opinion of the Headteacher, failure to provide a meal could have serious consequences for that pupil, the Headteacher may decide that a meal should be provided.

If this is the case, the parent will be informed by telephone and this will be confirmed in writing.

The Headteacher should then make an appointment to meet the parent or parents to discuss the outstanding payments as soon as possible.

The academy will report any outstanding debts to the Head of Finance and Operations in their end of month arrears report.

- **Stage 4** – if a debt remains outstanding and a payment arrangement has not been agreed or a debt reaches a level of £25, **a letter to the parent will be issued** on behalf of the Chief Executive Headteacher, **instructing them that from an agreed date, the academy intends to remove their child's school meal facility.**

The parent will be asked to send in a packed lunch (or if they choose to, they will be allowed to take the child home for lunch).

- **Stage 5** - If the debt remains outstanding and payment is not made within 7 days of the above letter, the matter will **be referred to the Local Authority**. The parent will be informed of the academy's decision in writing.

Parents Refusing to Send Packed Lunch or Provide Lunch at Home

In rare cases, the individual academy may encounter a parent who has refused to pay for school meals and has refused to send in a packed lunch or take their child home for lunch.

In these circumstances, **the Headteacher reserves the right to inform Social Services** that parents have been instructed to provide packed lunch or lunch at home and have failed to do so and therefore parents had failed to carry out their responsibility of care by not providing food for their child at lunchtime.

Other Forms of Arrears

Where arrears have been incurred for any other circumstance, other than those detailed above, the academy will do the following:-

- **Preliminary Stage** - Payment dates should be set for the customer to state exactly when payment is due.
- **Stage 1** - If payment is not forthcoming by the agreed date, **contact the customer by telephone or in writing** to request payment within 7 days of the date of the letter.
- **Stage 2** - If the debt remains outstanding after 7 days, the academy refers the matter to the School Business Manager who will contact the customer by letter to request immediate payment.
- **Stage 3** - Where payment is not forthcoming, the matter will be referred to the Head of Finance and Operations via the end of month arrears report.
- **Stage 4** - If the debt remains outstanding and payment is not forthcoming, the matter will be referred to the Local Authority.

Referral to the Local Authority for Arrears

The academy trust engages the Local Authority (Sunderland City Council) legal team to deal with outstanding payments where we have failed to recoup monies owed or agree a payment arrangement with the customer, parent or carer.

A referral to the Local Authority is a last resort and only used where attempts to collect the debt have not been successful. In such cases the academy will notify the customer, parent or carer of their intention to refer the matter in writing.

The Local Authority legal team will attempt to recoup arrears, which may involve proceedings through the County Court.

If the debt remains outstanding it will be referred back to the Academy by the Local Authority as unsuccessful. The debt must then be referred to the Chief Finance and Operations Officer who will investigate the debt recovery process with the Headteacher before authorising the debt to be written off in line with Inspire Finance Handbook.

Contacts and Further Information

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