

Washwood Heath Nursery School and Children's Centre

Daycare Debt Policy

Background

This Debt Policy has been adopted to ensure that where debt is incurred by parents/carers whose children attend our setting, a consistent and fair approach is taken. **WHCC** is committed to providing a high quality service but the daycare aspect of our service is a business that has to be sustainable to enable us to do this.

WHCC will address any debt issue at an early stage in order to prevent a debt becoming unmanageable. We will actively work with parents to ensure all avenues for assistance with payments are explored. We appreciate that parents may face financial difficulties from time to time and, understandably, would like to ensure as little disruption to their child's care and education as possible. Parents and carers experiencing such difficulties should contact the setting as early as possible, to reach a suitable arrangement for both parties

WHCC will take all reasonable measures to actively pursue instances of non-payment as any outstanding debts that cannot be recovered directly affect our capacity to provide quality care and education to all pupils.

In the event of repeated missed payments your child will only be able to attend for their statutory provision of 15 hours per week until all outstanding arrears have been cleared.

Payment for Childcare Services

Daycare fees are payable one month in advance, by the first Friday of every month or the first day Daycare is open if it has been a school holiday, Bank holiday or Inset day.

Daycare payments can either be made online via Parentpay or through local Pay point shops. ParentPay offers you the freedom to make payments whenever and wherever you like, 24 hours a day, 7 days a week - safe in the knowledge that the technology used is of the highest internet security available.

The process for pursuing debts

Informal reminder – Within 7 days of late payment, parent/carers will be informally reminded in person or by telephone that they have outstanding fees.

First reminder letter – If the debt is still outstanding by the end of the month, after an informal reminder, a formal letter will be given to the parent/carers reminding them of the Terms and Conditions they signed when starting with us and requesting that the account is settled.

Second reminder letter - If the debt continues to be outstanding two weeks after a first formal reminder and no contact has been made with the setting, a second formal letter will be sent to the parent/carers. These letters allow parents every opportunity to settle their debt and ensure the setting can prove all reasonable steps have been taken to recover the debt should the issue proceed further.

Final reminder letter - If no response is received following the second reminder, the school will send a letter to the parent/carers advising them that the setting will be referring the matter to their external Debt Agency. This letter will be sent by recorded delivery to ensure the debtor has had every chance to respond.

Possible legal action – If no payment is made and the external Debt Agency is unable to support us we will consider whether legal action is the next appropriate step. Please note that any fees incurred in recovering a debt will be charged to the account.

Where a parent has informed us in advance that they may not be able to make payment for the forthcoming month's provision, the setting may allow provision to continue if it is felt that this is a temporary situation, e.g. temporary hardship etc. However we will request a letter or an email informing us of your current circumstances and your plans to redress the debt that will be accrued. A record of these instances will be maintained and monitored. A payment plan will be put in place to ensure any outstanding fees are recovered.

Negotiation of repayment terms

Parents are expected to settle the amount owed as soon as possible.

However it is possible to ask for 'repayment terms' these may be negotiated at the discretion of the Head teacher. A record of all such agreements will be kept. A

letter will be issued confirming the agreed terms. The settlement period should be the shortest that is judged reasonable.

Monitoring and Recovery of Childcare Debts

At each meeting of the Governing Body/Finance Committee, the Head Teacher will provide Governors with details of any outstanding Daycare debt. The aim of this policy is to minimize the opportunity for debt balances to build up.

In the unlikely event of having to write-offs of outstanding debt, this process must be approved by the Governing Body/Finance Committee following submission of details of the debt by the Head Teacher together with reasons for no further action being taken.

Should a family be in debt or experiencing difficulty with payments, they may not be required to give the contracted 4 week's notice to terminate childcare. The Head teacher has the authority to terminate the contract immediately without the notice period after considering the information given by the family.

We review each case individually and understand that without childcare, parents/carers would often not be able to work. However, we do need to ensure that parents/carers continue to pay their ongoing fees in order that any arrears due by them do not increase.

WHCC is unable to give advice on any benefits from other organizations should parents need to access financial support. However, we have detailed below some organizations which may be able to give you further advice.

www.citizensadvice.org.uk

gov.uk/child-tax-credit

Tax Credits Helpline: 0345 300 3900

National Debt Helpline: 0808 808 4000

Signed Chair of Governors:

Date: