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**Education, Learning and Attainment
Debt Management**

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1.0 Background

- 1.1 Debt is a pressing issue facing many people in our communities. West Dunbartonshire Council offer lots of useful information about the Cost of Living - <https://www.west-dunbarton.gov.uk/benefits-and-grants/cost-of-living/>
- 1.2 Where individuals or families find themselves in debt, Working4U offer support with money, debt and benefits issues. More information about this service can be found at <https://www.west-dunbarton.gov.uk/jobs-and-training/working4u/money/>
- 1.3 This guidance document has been written to assist establishments in adopting a fair and consistent approach in dealing with debt arising from school meals or for **any other reason** where the establishment should have received payments for **any service** provided to parents or carers. It is anticipated that the volume of school meals transactions across the Authority makes it likely that this will form the main area of debt incurred by parents or carers which establishments have to address.
- 1.4 West Dunbartonshire has a well-established practice of ensuring no child will go without a school meal when requested. This guidance does not alter that approach and applies irrespective of whether meals are paid for using the online payments system or by any other means.
- 1.5 Heads of Establishments will have a good understanding and knowledge of the families they serve and on that basis this guidance does not seek to regulate discretion exercised as a matter of professional judgement. Rather, it serves to highlight the need for consistency in dealing with debt where there are no extenuating circumstances or reasonable justification for it having been accrued.
- 1.6 Using ParentPay, education establishments have the benefit of complete visibility of every pupil's payment history as well as any accrued debt. It is important therefore that schools ensure they are monitoring and reminding payers to clear any debt regularly. It is hoped that through early contact and timely reminders with parents/carers, individual pupil's accounts can be brought into credit quickly without further action.
- 1.7 For establishments who have parents and carers who are electing not to make use of ParentPay, and are still receiving cash from parents/carers, the accrual of debt should be addressed in the **same way** to ensure a consistent approach across all establishments. The establishment will require to have a process in place to enable debts to be recorded, and when arrears are paid that this is verified.
- 1.8 This guidance sets out the actions to be taken when debt has arisen through school meals or by any other means. The steps identified in 'Stage 1 – Informal' cannot be underestimated and it is expected that most parents/carers will appreciate the reminder and act accordingly.

- 1.9 Debt is a complex issue, and affects different families in different ways. When considering a '*de minimus*' value as an acceptable level of debt in the system, we first looked to basic costs. A school meal equates to £2.85, making it possible to accumulate debt of -£14.25 per person, per week. Taking a household average of two children, this would equate to -£114 per month. For the purposes of this policy, we would therefore consider a '*de minimus*' value of £100, however Heads of Establishments may wish to exercise their own judgement based on their local knowledge, patterns of payment by parents and carers or local circumstances.

2.0 Stage 1 – Informal

- 2.1 Frequency of payments into ParentPay vary by individual and across establishments. Some parents and carers choose to top up an account on a daily, weekly or monthly basis, where others favour topping up an account on a needs basis.
- 2.2 It may be prudent for establishments to schedule a Groupcall message to remind all parents and carers to keep their account in credit, but individual establishments are best placed to know if this is required based on payment activity or communication preferences.
- 2.3 Consideration should be given to the preferences of individuals, and action taken when a pattern emerges that would suggest that debt is being accrued and not addressed.
- 2.4 Where a pattern emerges that would suggest debt is being accrued and not addressed, you should carry out the following checks –
- Has the SEEMIS upload been carried out regularly? (the child may be eligible for Free School Meals)
 - Is there a possibility that payments have not been credited?
 - Does this parent normally pay on time and this is just a one-off?
- 2.5 Heads of Establishments should exercise their professional judgement about which type of contact or communication channel is best for the individuals in question. Less-formal contact (perhaps through telephone, Groupcall message or personal contact) with parents/carers may be all that is required to alert a parent or carer to the issue, and for action to be taken. It may be that this task is delegated by the Head of Establishment to another member of the Senior Leadership Team or Pastoral Care Team depending upon how contact with parents and families is managed.
- 2.6 It may be at this informal stage that parents or carers could be signposted to the help available on the West Dunbartonshire cost of living website page, or the support offered by Working4U.
- 2.7 Whatever informal route is selected, it is recommended as part of this policy that stage 1 concludes with a message sent through Groupcall to draw any

informal support or guidance to a close. Many establishments choose to automatically send out a Groupcall text message when an account goes into debt. It may be that the Groupcall message is the only informal route selected.

- 2.8 The following text should be sent through Groupcall to conclude stage 1 –

Dear Parent/Carer

According to our records your child's ParentPay account is in arrears. Please could this be settled as soon as possible.

Thank you

3.0 Stage 2 - Formal

- 3.1 If parents/carers have failed to respond to the less formal reminders for their debt to be resolved outlined in stage 1 above, then the following procedures are to be followed to ensure a consistent, fair and transparent approach to resolving the debt.
- 3.2 If there has been no contact with the establishment regarding the debt following the Groupcall message concluding 'Stage 1 – Informal' then a **Stage 2 – Debt Reminder Letter (Appendix A)** should be sent to the payer by email **OR** Royal Mail.
- 3.3 This pro-forma letter has been set up in ParentPay for your use, however it is accepted that Heads of Establishments may wish to alter the wording dependent on the circumstances of the accrued debt.
- 3.4 Please ensure Central Education staff are aware that a Stage 2 letter has been sent.

4.0 Stage 3 – Notification of Debtors

- 4.1 Should the debt continue to be ignored by the payer you should check -
- Has the payer made ANY contact with the establishment to address the debt or discuss the matter?
 - Has any action been taken to reduce the level of debt?
- 4.2 If the pupil's account remains at the same level of indebtedness or continues to grow, and there has been no contact made with the child's establishment or steps taken to reduce the level of debt then a **Stage 3 – Notification of Debtors Letter (Appendix B)** should be sent to the payer by email **OR** Royal Mail.
- 4.3 As with Stage 2, a pro-forma letter has been set up in ParentPay but this can be customised by the Head of Establishment dependent on the circumstances.

- 4.4 Please ensure Central Education staff are aware that a Stage 3 letter has been sent. Central Education staff will work with the Debtors team to transfer the debt.
- 4.5 Where a debt has been transferred to Debtors, the account in ParentPay will have its balance reset to zero. Parents or carers should be reminded that to prevent any future additional debt, they should ensure that they keep their ParentPay account in credit.

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Appendix A – Stage 2 – Debt Reminder Letter

[Parent's name]

[Parent's Address]

Date

Dear (**Parent's name**),

(**Pupil's name Class**)

Following our text message to you on (**date of Groupcall**) advising that our records show that (**Pupil's name**) account is in arrears, I note this matter has not yet been addressed, and you have not made contact to discuss the matter.

If the debt is not paid within the next **7 days** from the date of this letter the matter will be passed to the Debtors Section within West Dunbartonshire Council who will pursue payment. I would emphasise that this procedure is only followed as a last resort as you may be liable for additional costs as well as the amount of unpaid school meals debt.

Working4U offer support with money, debt and benefits issues. We know debt can cause stress and sleepless nights. Working4U advisers provide information to allow you to make an informed choice in your route out of debt. Working4U will assist you throughout the process, and can check you are receiving all the benefits you are entitled to.

Working 4U can also assist with learning and employability services.

This is a free and confidential service to all West Dunbartonshire residents. For more information about this service and how to refer yourself please visit -

<https://www.west-dunbarton.gov.uk/jobs-and-training/working4u/money/>

There is lots of useful information on the Council's website about the Cost of Living for more information please visit - <https://www.west-dunbarton.gov.uk/benefits-and-grants/cost-of-living/>

You can check your account balance at any time by logging into your ParentPay account. You also have the option to use the Auto top-up feature for school meals which will automatically top up your child's lunch balance when it falls below a set value.

If you have any queries regarding these arrears or if you have difficulty making

payment please contact the school office to discuss this further, but please note that you must do this within the next 7 days.

Yours sincerely,

Head Teacher / Head of Centre

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Appendix 2 – Stage 3 – Notification of Debtors Letter

[Parent's name]

[Parent's Address]

Date

Dear (**Parent's name**),

(**Pupil's name Class**)

Following our text message and email/letter to you advising that our records show that (**Pupil's name**) account is in arrears, I note this matter has not been addressed, and you have not made contact to discuss the matter.

As **7 days** from our letter has passed we have now passed the debt onto the Debtors Section within West Dunbartonshire Council who will pursue payment. As this debt is now being passed to the Debtors Section in West Dunbartonshire Council, your balance in ParentPay will reset to zero. To prevent any future additional debt, please ensure you keep your ParentPay account in credit.

Please be reminded Working4U offer support with money, debt and benefits issues. We know debt can cause stress and sleepless nights. Working4U advisers provide information to allow you to make an informed choice in your route out of debt. Working4U will assist you throughout the process, and can check you are receiving all the benefits you are entitled to. Working 4U can also assist with learning and employability services. This is a free and confidential service to all West Dunbartonshire residents. For more information about this service and how to refer yourself please visit - <https://www.west-dunbarton.gov.uk/jobs-and-training/working4u/money/>

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Yours sincerely,

Head Teacher / Head of Centre

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