



*To inspire, enrich and nurture so each individual reaches their full potential*

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The HCFS is a company limited by Guarantee Registration number 07648654

# Debt Policy

## September 2025

*To be reviewed annually in the Autumn Term*

Next Review: September 2026

History of Document:

Issue No.	Date Issued	Prepared By	Approved By	Comments
Issue 1	May 2022	L Baker	Trust Board	New policy adopted to bring in line with current guidance
Issue 2	September 2023	R Robinson	Trust Board	Reviewed to ensure policy is still in line with current guidance
Issue 3	September 2024	J Durbin	Victoria Hobson	Reviewed to ensure policy is still in line with current guidance. No changes.
Issue 4	September 2025	Jonathan Durbin	Victoria Hobson	Reviewed to ensure policy is still in line with current guidance. Deletion of reference to the year group in section on implementation.No changes.

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### 1. Introduction

This policy aims to help our school adopt a consistent approach to debt. It provides clarity and consistency in managing debt and will also help parents and carers understand what is expected.

The services provided by school are no different to those provided by any other business and the meals and other services need to be paid for.

The school can only offer free meals to children whose parents qualify for FSM entitlement, as they are funded by central government. Every other meal and service for which there is a charge needs to be paid for.

The school may use its discretion if it chooses to pay for certain clubs and activities for children in receipt of Pupil Premium.

### 2. Implementation

1. All services provided including school lunches, music tuition, and school chargeable clubs need to be paid for in advance.
2. Parents who do not want their child to have a school lunch, should provide a healthy packed lunch.

From the start of September 2022, Hatfield Community Free School has adopted a ‘no debt’ policy relating to chargeable activities including school meals, after school clubs and music tuition. This is because the school budget has to directly fund any outstanding debts that cannot be recovered thereby directly affecting the amount of money that is available to provide a high quality education to all pupils.

If debts are incurred, the school budget has to pay for them. This means that funds which should be spent on the education of all of our children would be used to pay for debts incurred by a few parents/carers. The time and resources used by the finance team to send letters and make phone calls about debts which remain unpaid after their due date are also a large drain on the school budget. We ask that all parents/carers give this policy their full support.

The payment of school lunches is managed by Dolce through the School Grid system. A pupil’s account needs to be in credit for a meal to be provided to them. If a parent/carers genuinely forgets to ensure their account is in credit, the school may (after speaking with the parent/carers) grant a debt allowance of one meal in the first instance. However, this debt will need to be paid on the day the meal is taken and future meals need to be paid for in advance.

Check [Free school meals | Hertfordshire County Council](#) to see if your child can get free school meals (FSM) and how to apply on Hertfordshire County Council's website. This allowance is a statutory right and it is important that you apply for it if you qualify (in addition for each child registered for FSM, the school receives the Pupil Premium grant from government to enable the school to provide greater educational resources from which your child will directly benefit).

If parents/carers decide to use any chargeable services offered by the school, and they are not exempt from those charges, parents/carers need to pay in advance online using the company's payment details. The school reserves the right to stop music lessons or access to clubs and other services where fees remain unpaid.

We hope that by implementing this debt policy we are able to help parents/carers manage payments better and at the same time ensure that funds allocated for children's learning are available for every child.

### **3. Trade debtors (n/a for Parents/Carers)**

1. When the goods/services/facilities are provided an invoice will be raised as soon as possible, but normally within 7 days of the goods/services/facilities being provided.
2. Invoices should state that the bill is due and payable at the invoice date.
3. If no payment is received within 14 days from date of issue of the invoice a reminder should be issued to the debtor.
4. If after another 7 days the invoice remains unpaid, a final reminder should be sent. At the Principal's discretion, the letter may 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.
5. 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. Again, at the Principal's discretion, the final reminder may 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.
6. At each meeting of the Resources Committee, the Principal is required to inform the Trustees 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.
7. Outstanding debt of up to £50 may be written-off by the Principal 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 Resources Committee for information at their next meeting.
8. Write-off of outstanding debt in excess of £50 must be approved by the Resources Committee following submission of details of the debt by the Principal together with reasons for no further action being taken.
9. 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.
10. Individuals or organisations that have previously defaulted on payments to the school are not allowed credit facilities.
11. Where a debtor's payments are regularly or consistently paid outside the terms of supply the Principal must consider withdrawal of credit facilities and request the individual/organisation to pay for goods/services/facilities at the time they are consumed.

#### **4. Follow up procedures for outstanding Parent/Carer debt**

If after an initial conversation with the Parent/Carer a debt still remains a follow up letter will be sent to the parent. Please refer to letter template A. If a payment plan is agreed to clear the debt a letter (template A2) will be issued.

If the parent/carers fails to meet the deadlines set in the letter A issued the school will then proceed to the next step.

This will involve inviting the parent/carers into the school to attend a meeting with the Principal and/or School Business Manager. At this meeting the school will focus on helping the parent pay the debt.

If the issue relates to financial hardship the parent/carers maybe provided information about local bodies that can help to relieve financial burdens.

If by the end of the meeting a satisfactory resolution has not been made or the parent/carers refuses to attend the meeting the next stage letter maybe sent. See letter template B.

## A – Parent debt reminder letter

[Insert date]

Dear [name of parent],

Following our conversation on [insert date of conversation], I am writing to remind you of the outstanding [insert amount of money] owed to the school for [insert source of debt, such as school meal costs]. [Insert details of why this letter has been sent, such as:

We have not yet received payment from you towards reducing this debt.

You can pay the debt in full using [insert payment method details here]. Alternatively, we can set up a weekly/monthly payment plan to pay the debt off in instalments of [insert amount per week or month]. To do this, please contact the finance office.

[If the debt results in any sanctions, such as pupils having to be given packed lunches until meal costs are settled or being unable to attend a school trip, insert details of this here.]

If by [insert deadline] you either haven't paid off the debt or contacted us to set up a payment plan, we will invite you to a meeting to explore options to help you pay the amount above. If you don't attend or if we don't reach a satisfactory result together, we will seek legal advice on recovering the debt.

Our school budget is intended to support children's learning, and we cannot use it to cover debt owed to the school.

Thank you for your help and understanding. Please don't hesitate to contact me if you have any questions or difficulties complying with this letter.

Yours sincerely,

[Insert name and contact details]

## A2 – Payment plan arrangement letter

[Insert date]

Dear [name of parent],

Further to my telephone call/letter to discuss the debt on your child's <service> account. I am writing to confirm the arrangements for repayment that we have verbally agreed.

As discussed you have confirmed that you are able to make the following payments in order to clear the outstanding balance:

Total amount due:

Payment amount agreed:

Frequency of payments agreed: <date of first payment>

Length of payment plan:

Final payment date:

To confirm these arrangements please sign and return a copy of this agreement to the School Business Manager via the school office.

Please be advised that failure to make the agreed repayments will result in further action being taken.

Yours sincerely,

[Insert name and contact details]

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I/we <parent's name> agree to make repayments as outlined above in order to bring my account up to date.  
I/we understand that this agreement is for the current outstanding debt only and does not include payment for any further services used.

Signed: <signature>      Date: <date>

## B. Parent debt final letter

[Insert date]

Dear [name of parent],

I am writing to you following [insert dates of any letters sent or meetings had concerning the debt].

Your outstanding debt is [insert amount]. As we have not received payment from you to settle this cost, I have no option but to refer this outstanding debt to our Trust Board.

You are now required to attend a meeting with a representative of the Trust Board and the School Business Manager as soon as possible to discuss repayments.

Please call the finance office on 01707 276018 to arrange a meeting.

Failure to do so will result in further action being taken to recover this debt.

Yours sincerely,  
[Insert name]