

## 49. Debt Recovery

Version number	Dates produced & approved	Reason for production & revision	Author	Locations	Proposed next review date
V1.0	26 Sept 22	Requirement of Gloucestershire County Council's 2022-23 Local Provider Agreement (paras 12.10 & 13.13)	K Coupe & F Walton	Dropbox.com website	October 2023

### Statement of intent

North Nibley Pre-school is a registered charity and as such, one of our financial aims is to ensure, where possible, that we do not make a loss at the end of the year<sup>1</sup>. Each year the budget forecast is carefully planned according to the number of children we have on the register. This takes account of the fees we will charge for the year to cover the rent of the Village Hall, insurances, staff wages, providing a stimulating environment for pre-schoolers, along with all the other expenditure we incur.

The aim of the Pre-school is to provide a service to local children and families, not to make a profit. However, this aim can only be fulfilled if we have enough income to cover our outgoings.

We will not take any action against a child, including, but not limited to, exclusion or discriminatory treatment, due to parent/carers genuine inability to pay fees. We will, however, pursue parents/carers for full payment of fees if genuine financial hardship is not demonstrated. We aim to collect due fees as efficiently as possible.

### Rules of Payment

North Nibley Pre-school's Administrator will issue an invoice within two weeks of the start of a half-term, stating a due date<sup>2</sup>. Parents/carers will be reminded, during the half-term, that their child's invoice is outstanding (if applicable).

Concessions cannot be made for absences as the Pre-school cannot fill a child's space with another child.

#### *Difficulty making payment*

The Pre-school will be sympathetic to parents/carers who are having or who anticipate having difficulty in paying fees. In such cases, it is the parent/carer's responsibility to agree a payment plan with the Treasurer/Administrator - who will confer with the Setting Support Officer.

Any family in this situation should contact the Administrator at the earliest opportunity to discuss possible solutions. Any information will be treated in the strictest confidence.

---

<sup>1</sup> Pre-school year runs from 1 September to 31 August

<sup>2</sup> Normally a Friday within 2 weeks of the end of the half-term

## Non-payment of fees

- If payment has not been made by the initial invoice payment (due date) nor a payment plan agreed by both parties, a first reminder will be issued giving a final payment due date, two weeks from the initial invoice payment date. This will include a flat fee payment charge of £10. However, this charge will be waived if payment is received within 7 calendar days of the date of the reminder.
- If no payment is forthcoming by the final payment due date and there is no payment plan in place, then, subject to North Nibley Pre-school's discretion:
  - *non-funded sessions*
    - a formal letter will be issued to the parent/carer advising them that the child's non-funded sessions will be immediately withdrawn and offered to another family – if applicable - subject to North Nibley Pre-school's discretion, i.e. taking into account any external factors relating to the child;
    - if the parent/carer has not discussed payment of the outstanding amount, the child whose fees remain outstanding may be refused entry to North Nibley Pre-school until such fees are settled in full. This may result in the parent/carer forfeiting their child's place as Pre-school and the opening will go to another child on the setting's waiting list; or
  - *Nursery Education Funded (NEF) sessions*
    - a formal letter will be issued to the parent/carer advising them that their child can only attend funded (NEF) sessions (i.e. those funded by the GCC and recorded on the nursery portal) at the setting until the outstanding monies are paid;
    - the parent/carer will be required to complete and sign a funding amendment form (if applicable) in this respect.
  - *Failure to Pay*
    - Failure to pay by a given date will lead North Nibley Pre-school Committee to decide whether to pursue reimbursement of monies owed through the Gloucester and Cheltenham County and Family Court by making a court claim for the said money or by other litigation.
- If a payment plan has been agreed, but no payments received, then a first reminder will be issued giving a final due date. This will be two weeks either from the initial invoice payment date or from the last date a payment was received. It will also include a flat fee payment charge of £10. However, this charge will be waived if payment of the outstanding monies is received within 7 calendar days of the date of the reminder.
- If an agreed payment plan is in place, but there is repeated default on payments, then the payment plan will be considered null and void, and the following will apply:
  - *non-funded sessions*
    - North Nibley Pre-school has the right to take away the child's non-funded sessions immediately and offer them to another family, subject to North Nibley Pre-school's discretion, i.e. taking into account any external factors relating to the child. A formal letter will be issued to the parent/carer advising them of this action and whether it is North Nibley Pre-school's intention to pursue reimbursement of monies owed through the Gloucester and Cheltenham County and Family Court by making a court claim for the money or by other litigation.
  - *funded sessions*
    - A formal letter will then be issued to the parent/carer advising them that their child can only attend funded (NEF) sessions (i.e. those funded by the GCC and recorded on the nursery portal<sup>3</sup>) at the setting whilst any outstanding balances are to be paid. The letter will also advise whether it is the Committee's intention to pursue reimbursement of monies owed through the Gloucester and

---

<sup>3</sup> No extra sessions will be available to the child other than those funded through the local authority (GCC)

- Cheltenham County and Family Court by making a court claim for the money or by other litigation
- *Debt paid*
  - Once all outstanding monies have been paid then reinstating any non-funded hours or increasing NEF hours can be discussed – dependent on space and staff availability.

Application through the Gloucester and Cheltenham County and Family Court or any other form of litigation, is a last resort which will only be undertaken when all other options have been explored. When the Pre-school Committee is confident such action does not contravene other stated aims and policies and procedures of the Pre-school, and when they have carefully considered the effect of such action on the child.

### **Associated policies and procedures**

- No 26 : Payment of children's invoices
- No 46 : Financial controls