



Cornerstone Academy Trust

Parental Debt Management and Recovery Policy

Trust-wide policy for staff and parents

Policy owner	Accounting Officer and Head of Finance
Approval body	Finance Committee
Updated	October 2026
Review cycle	Annual, or earlier following a change in law or guidance
Next review	Autumn Term 2027 or earlier if legislation, statutory guidance or technology materially changes
Applies to	All schools and operations of Cornerstone Academy Trust

The Trust will apply this policy fairly, protect pupils from stigma arising from parental debt, consider reasonable adjustments and take account of safeguarding or vulnerability factors before withdrawing a chargeable service or escalating recovery action.

1. Purpose

Cornerstone Academy Trust is an exempt charity and a company limited by guarantee. The Trust is responsible for ensuring that public funds and charitable resources are managed carefully, transparently and in the interests of all pupils.

The Trust provides a range of chargeable services and activities, which may include:

- school meals;
- nursery provision beyond a child's funded entitlement;
- breakfast and after-school clubs;
- holiday clubs;
- optional extracurricular activities;
- chargeable educational visits and optional extras;
- transport or other additional services;
- goods, equipment or services purchased from the Trust; and
- lettings and services provided to third parties.

This policy establishes a fair, consistent and proportionate framework to prevent avoidable debt, support early engagement, recover money properly due to the Trust and provide effective financial oversight.

2. Scope

This policy applies to money owed to the Trust by parents and carers, former parents and carers, users of Trust services, hirers, other individuals and organisations purchasing goods or services from the Trust.

References to a parent include any person with parental responsibility and any person who has agreed to pay for a Trust service. Employee debts, payroll overpayments and debts due under commercial contracts may be managed under separate contractual, payroll or financial procedures where appropriate.

3. Policy principles

Clarity

Charges, due dates, payment methods, cancellation arrangements and consequences of non-payment will be communicated clearly.

Prevention

Chargeable services will normally operate on an advance booking and payment basis wherever practicable.

Prompt action

Unpaid amounts will be identified, recorded and addressed promptly.

Consistency and proportionality

Recovery action will reflect the amount and age of the debt, the nature of the service, engagement, disputes, hardship, contractual terms and the likely cost of recovery.

Protection of pupils

A pupil will not be publicly identified, embarrassed or deliberately treated less favourably because a parent owes money.

Confidentiality

Information will be shared only with those who need it to administer, review or recover the debt.

4. Roles and responsibilities

Board of Trustees

- approve this policy;
- ensure appropriate debt-management controls are in place;
- approve write-offs where required under the Scheme of Delegation; and
- satisfy itself that significant and persistent debt is being managed appropriately.

Finance, Audit and Risk Committee

- receive regular aged-debt and recovery information;
- monitor trends, repayment plans, referrals and write-offs;
- challenge cases where debt has accumulated; and
- recommend changes to controls or delegated authority.

Chief Executive Officer and Chief Finance Officer

- ensure effective systems and clear staff responsibilities;
- authorise significant escalation in accordance with delegated authority;
- ensure financial reporting is accurate; and
- ensure write-offs follow the Scheme of Delegation and any external approval requirements.

Finance Team

- maintain accurate records;
- monitor booked services and payments;
- identify invoiced and off-book debt;
- verify childcare-voucher and Tax-Free Childcare payments;
- issue notices, manage payment arrangements and investigate disputes; and
- prepare regular debt reports.

Heads of School

- support consideration of safeguarding, vulnerability and operational factors before a chargeable service is withdrawn.

Parents and carers

- book and pay by the due date;
- check that voucher or childcare payments have been released;
- raise errors promptly;
- contact the Finance Team early if payment is difficult; and
- comply with any agreed repayment plan.

Payment validation

Providing a childcare-voucher code or payment reference does not discharge a debt until the Trust has received or verified the associated funds.

5. Charging and advance payment

The Trust may require payment in advance for chargeable services. Each service's terms and conditions will describe the applicable booking, payment, cancellation and refund arrangements.

Where a chargeable service is used without an appropriate booking or payment, the Trust will normally:

1. record the service used;
2. add the applicable charge to the account;
3. contact the parent promptly; and
4. escalate repeated use without payment under this policy.

The Trust may decline future bookings where an existing debt remains unpaid, subject to statutory requirements, contractual terms and the safeguards in this policy.

6. School meals

The Trust will ensure that no pupil is left without an appropriate lunch during the school day. Where a paid meal has not been booked or payment has not been received, the school will provide an appropriate meal, observe relevant dietary, medical and allergen information, record the charge and contact the parent promptly.

A pupil will not be singled out or given a deliberately inferior meal as a sanction for parental debt. Repeated non-payment will be addressed with the parent through the debt-recovery process.

The Trust may require a parent to provide a suitable packed lunch where a paid meal service has been suspended, provided that reasonable written notice has been given, the child's circumstances have been considered and alternative arrangements are made if the child arrives without food.

Any entitlement to benefits-related free school meals, universal infant free school meals or another funded meal entitlement will be respected.

7. Nursery provision

The Trust may charge for nursery sessions, meals, consumables and additional services outside a child's funded entitlement, subject to the applicable terms and conditions.

Where payment for additional or unfunded provision is overdue, the Trust may decline further bookings, reduce provision to the funded entitlement, suspend unfunded sessions following appropriate notice or terminate additional paid provision in accordance with the nursery agreement.

A child's access to their funded early education entitlement will not be withheld or made conditional upon payment of debts relating to other services or provision. Where arrears relate to additional chargeable childcare or other optional services, the Trust may restrict or withdraw those additional services in accordance with the applicable terms and conditions and notice provisions. Before doing so, the Trust will consider any safeguarding or vulnerability concerns and any agreed repayment arrangement.

8. Breakfast clubs, after-school clubs and other optional services

The Trust may suspend or withdraw a chargeable optional service where the charge is correctly due, the parent has received reasonable notice and an opportunity to pay or engage, any payment arrangement has not been maintained, relevant vulnerability and safeguarding information has been considered and the decision has been properly authorised.

Written notice will normally state the balance, service affected, effective date, action required to prevent suspension, pupil collection arrangements where applicable and how access may be reinstated.

Safeguarding control

A service must not be suspended in a way that leaves a pupil unsupervised or creates an immediate safeguarding risk.

9. Educational visits and activities

The Trust will follow its Charging and Remissions Policy and the statutory framework governing charges for education and school activities.

Outstanding debt will not be used to exclude a pupil from education provided during school hours where no charge may lawfully be made, an activity funded through voluntary contributions, or any provision where exclusion would be inconsistent with the Trust's legal obligations or funding agreement.

No pupil will be excluded from an activity simply because their parent has not made a voluntary contribution. Where an activity is a separately chargeable optional extra, participation may be conditional upon parental agreement, payment of the applicable charge and compliance with booking, cancellation and remission arrangements.

A debt arising from one service will not automatically prevent a pupil from joining an unrelated educational activity. Any decision must be lawful, fair, proportionate and consistent with the Charging and Remissions Policy.

10. Financial hardship and support

Parents experiencing financial difficulty should contact the Finance Team as early as possible. The Trust may consider an extension, instalments, a temporary arrangement, available remissions, funded entitlements, a review of future service use and signposting to welfare or independent debt advice.

The Trust may request reasonable and proportionate information to understand the circumstances and determine an affordable arrangement. Financial hardship does not automatically remove a valid debt, but it may affect the repayment period, instalments, service decisions, external recovery and support offered.

11. Payment arrangements

A repayment arrangement will normally be confirmed in writing and state:

- the total amount owed;
- the amount and frequency of instalments;
- the start date and expected completion date;
- arrangements for ongoing charges;
- the requirement to report a change in circumstances; and
- the action that may follow a missed payment.

Instalments will be set at a reasonable level in light of the information available. An arrangement must not permit debt to increase indefinitely. If an instalment is missed, the Finance Team will make contact and review the arrangement before deciding whether further escalation is required.

12. Disputed charges

A parent who believes a charge is incorrect should contact the Finance Team promptly and provide relevant information. The Trust will review the account, check available booking, attendance and payment records, correct any error and explain the basis of a valid charge.

Escalation of a genuinely disputed amount will normally pause while the review takes place. Undisputed ongoing charges remain payable. A complaint about administration may be raised under the Trust's Complaints Policy, but a complaint does not automatically prevent recovery of an undisputed debt.

13. Debt-recovery process

Stage 1: Initial notification

The Trust will normally notify the parent of the balance, service concerned, payment route, due date and Finance Team contact details.

Stage 2: Formal reminder

If payment is not received, the Trust will issue a written reminder, invite discussion of financial difficulty and allow a repayment proposal.

Stage 3: Final notice

The Trust may issue a final notice stating the balance, action already taken, final deadline, possible service suspension and potential external recovery.

Stage 4: Internal review

Before suspension or referral, the Trust will check accuracy, identity, recording, disputes, contact attempts, vulnerability, proportionality and authorisation.

Stage 5: External recovery

The Trust may use an approved debt-collection agency, a formal letter before action, a civil claim or another lawful recovery method after considering proportionality.

A recovery fee, interest or administrative charge will only be added where legally and contractually permitted. A valid debt may continue to be pursued after a pupil has left the school.

14. Safeguarding and vulnerable families

Debt does not, by itself, establish a safeguarding concern. However, persistent inability to pay or a sudden change in circumstances may indicate that support should be considered.

Where appropriate, the Finance Team may consult the relevant Headteacher, Head of School, Designated Safeguarding Lead or other authorised member of staff before action is taken. Consideration may include crisis, disability, medical or additional needs, the role of the service in attendance or family stability, funded provision and temporary alternative arrangements.

Safeguarding information will not routinely be included in financial reports. Only the minimum necessary information will be shared.

15. Contact and record keeping

The Trust will keep appropriate records of charges, bookings, payments, balances, reminders, relevant contacts, disputes, repayment arrangements, service decisions, referrals, recovery action and authorised write-offs.

Correspondence will normally be sent to the contact details held by the Trust. Parents are responsible for notifying the Trust of changes to their address, email address or telephone number.

16. Monitoring and reporting

The Finance Team will operate appropriate daily or weekly checks for high-volume services such as dining, nursery and wraparound care. Monitoring will distinguish, where relevant, between invoiced debt, unpaid service use not yet raised as a formal debtor, current and aged debt, payment arrangements, disputed amounts, suspended services, external referrals and proposed write-offs.

Regular reporting through the Trust's financial governance arrangements may include:

- total outstanding debt and aged analysis;
- principal debt categories;
- significant balances, subject to confidentiality;
- movement since the previous report;
- performance of payment arrangements;
- external recovery referrals;
- proposed write-offs; and
- actions to prevent further accumulation.

17. Write-off of irrecoverable debt

A debt may only be written off where reasonable recovery steps have been taken or further action would be unlawful, impracticable or disproportionate. Relevant factors may include inability to trace the debtor, insolvency, disproportionate recovery cost, unenforceability, insufficient supporting evidence, a formal insolvency arrangement or exceptional circumstances.

All write-offs must follow the Scheme of Delegation, be supported by a written record, state the reason, receive the required approval, be reflected accurately in the accounts and be reported to Trustees where required. Any requirement for prior Department for Education or other external approval must be considered before authorisation.

18. Data protection

Personal information used for debt administration and recovery will be processed in accordance with UK data-protection legislation, the Trust's privacy notices, data-protection policies and retention arrangements.

Relevant information may be shared where lawful and necessary with authorised Trust staff, professional advisers, approved debt-collection agencies, legal representatives, courts, auditors, the Department for Education or another authorised body. Only information reasonably required for the purpose will be shared.

19. Equality and reasonable adjustments

The Trust will apply this policy fairly and have regard to its obligations under the Equality Act 2010. Reasonable adjustments will be considered where a disability affects a parent's ability to understand correspondence, use the standard payment system, communicate with the Trust or engage with recovery action.

Correspondence may be provided in an alternative format where reasonably required. Decisions must not discriminate against a pupil or parent because of a protected characteristic.

20. Complaints

A complaint about the administration of this policy may be raised under the Trust's Complaints Policy. The Complaints Policy cannot be used solely to avoid or delay payment of a valid and undisputed charge. Where a complaint identifies a possible error, recovery of the genuinely disputed element will normally pause while the Trust reviews it.

21. Review

This policy will be reviewed annually, or sooner following a change in legislation, statutory guidance, the Academy Trust Handbook, the Trust's services or payment systems, the Scheme of Delegation, or an audit or internal-scrutiny recommendation.

Appendix 1: Standard escalation pathway

Stage	Normal action	Possible outcome
Payment due	Advance payment or invoice issued	Account settled
Initial notification	Parent informed promptly of unpaid amount	Payment received or query raised
Formal reminder	Written reminder and invitation to discuss hardship	Payment or written arrangement
Final notice	Deadline and possible consequences confirmed	Payment, arrangement or escalation
Internal review	Accuracy, vulnerability and proportionality checked	Support, service decision or referral
Service suspension	Chargeable optional service suspended following notice	Reinstatement after agreed resolution
External recovery	Approved collection or legal process	Recovery, settlement or proposed write-off
Write-off	Formal decision under delegated authority	Account adjusted and reported

Appendix 2: Repayment agreement requirements

A written repayment agreement should normally record:

- the parent's name;
- the pupil or service account concerned;
- the total debt and reason for it;
- the instalment value, frequency and payment method;
- the first and expected final payment dates;
- arrangements for ongoing charges;
- action that may follow a missed payment;
- the Finance Team's contact details; and
- the date the agreement was made.

Appendix 3: Sources of support

Parents experiencing financial difficulty may wish to seek information from:

- Universal Credit: <https://www.gov.uk/universal-credit>
- Tax-Free Childcare: <https://www.gov.uk/get-tax-free-childcare>
- Free school meals: <https://www.gov.uk/apply-free-school-meals>
- Citizens Advice: <https://www.citizensadvice.org.uk/>
- National Debtline: <https://www.nationaldebtline.org/>