

Information & Action Requests by Committee

School Meals Accrued Debts

Members have previously requested further information in relation to accrued debts within schools. This appendix sets out how accrued debts are followed-up and claimed.

Debt Recovery Procedures

A new procedure for tackling the issue of unpaid dinner monies has been introduced for Primary schools since the beginning of the summer term 2010/11. Prior to this, the procedure was as follows:

Once a child had ten meals without payment, a letter would be sent home to the parents/guardians. A further five meals were allowed whilst payment was being chased, however if payment was not forthcoming no further meals would be provided. Once the debt exceeded £25.50 the school would refer the debt to Learner Support Services for an invoice to be raised at which time the debt would be pursued centrally by the sundry debtor team.

The new procedure implemented at the beginning of the summer term 2010/11 is as follows:

If the parents / guardians are in arrears with dinner money payments on the 5th school day, schools are requested to issue a letter to the parents / guardians to chase the outstanding monies. The school can supply a hot meal for a maximum of 10 days only.

If no payment has been received by the 10th school day, the school must send a second letter to the parents / guardians explaining that unless payment in full is received, only a sandwich and cold drink (water) will be provided from the 11th day. The school must notify the cook accordingly and the parents / guardians will still be charged the cost of a school meal (£1.70). The sandwich and cold drink will be provided for a further 5 consecutive school days.

On the 15th school day if no payment has been received a third letter is sent to the parents / guardians informing them that they must either pay the outstanding monies due or ensure that they make other arrangements for their child at lunchtimes by either providing a packed lunch or collecting their child to go home for lunch.

On the 16th day, if no payment is forthcoming the matter is immediately referred to Learner Support Services and the LEA will then pursue the matter with the parents / guardians.

As at the end of the 2009/10 Financial Year the total income due to schools for dinner money totalled £1,311,093 of which £1,308,063 had been banked, resulting in a variance between income due and income banked of £3,030.

An aged debtor report as at 1st April 2010 was obtained from sundry debtors showing that the invoices outstanding totalled £8,712. The difference between the aged debtor total of £8,712 and the variance of £3,030 may be accounted for in part by the fact that a number

of parents / guardians will have paid in advance for school meals. The table below summarises the age of the debts:-

**Aged Debt Report - School Meal Arrears
as at 31/3/2010**

Total Balance Outstanding excluding disputes and agreements	£7,189.69
<i>Breakdown:</i>	
Debt under 30 days	£1,176.73
Debt over 30 days old	£697.70
Debt over 60 days old	£661.00
Debt 90 days old	£143.80
Debt over 90 days old	£4,510.46
Debt in dispute (not included in total balance outstanding)	£85.00
Total invoices being paid by installment (not included in total balance outstanding)	£1,522.43
Overall Total of all debt outstanding	£8,797.12

Members will note that an audit of Catering Services is planned for 2010/11 when Internal Audit will review the procedures described above.