**Debt Collection Policy**

To enable Woodmancote Preschool to remain sustainable, the managers have a business requirement to recover all sums efficiently and effectively. Our Collection and Debt Recovery Policy ensures that collection methods are fair to everyone, taking into consideration those on low incomes.

It is recognised that people do not pay their debts for a variety of reasons. Some people, because of financial hardship, will have difficulty in paying. We will endeavour to help and minimise the impact of debt on them. Some people may be able to pay but do not pay because of an oversight or personal difficulties, and not because of a deliberate decision to avoid or delay payment. We will seek to help by developing a culture of payment, encouraging them to get in contact and discuss any difficulties.

Some people may deliberately set out to delay or not make payments and all methods of enforcement will be used to secure payment.

The need to make contact is central to the policy. Circumstances will then be considered with a view to agreeing a reasonable payment arrangement, minimising recovery action and helping to alleviate hardship. Where people fail to make contact or maintain agreed arrangements, recovery action will continue.

**Aims**

* Take positive action to prevent arrears occurring, for example by offering different payment methods according to need.
* Encourage people to make early contact to avoid the build-up of debt.
* Ensure that by being more approachable, people will be more willing to make contact when they first face difficulties.
* Ensure prompt billing and to remind people promptly if they do not pay.
* Help to identify deliberate non-payers and, where appropriate, take enforcement action.
* Ensure that when we do act it is appropriate and likely to be effective.

**Procedures**

* Hours for the term are calculated and divided into 3 installments, payment date for each installment is shown on the invoice
* Fees are not charged for public holidays, or days when the setting is closed e.g., Inset days, election days.
* Full fees are payable if your child is absent from Pre-school, including family holidays and sickness.
* One month’s **written** notice is required, by either party, if you wish to permanently decrease hours, otherwise fees in lieu will be payable. **Six weeks written notice of withdrawal of a child,** unless special circumstances agreed by the manager is necessary, or fees in lieu will be charged.
* Payment of fees is necessary to retain your child’s place at the setting, including when your child receives the free for 2, 3 and 4 year olds funding.
* If the local authority do not pay Preschool the expected level of funding, as shown on the grant form, then parents are responsible for paying the hours not covered by funding..
* We accept payment by childcare vouchers, cash, or via direct deposit into our bank account:

Any parent experiencing difficulties should immediately contact either: -

Anita Robertson or Joanne Smith 07593 254049

If you have fallen, or are likely to fall into arrears, we will endeavour to work with you to set reasonable payment levels that you can maintain.

If your account falls into arrears, reminders will be issued as follows:

If unpaid by pay by date on the invoice, the outstanding balance will be added to the next invoice.

If the arrears are unpaid within 7 days of receipt of this invoice, a further reminder will be issued and a charge of 20% of the arrears will be added.

Should your account remain in arrears for 2 months, and you have not contacted Pre-school, hours over the free entitlement will be cut until the account is settled. If your child does not qualify for funding and the account remains in arrears for longer than two months, their place will be withdrawn.

In cases of deliberate non-payment further action will be taken, including recourse to the Small Claims Court.