

Approving Body: Finance Committee Date of Review: Trinity 2023 Date of Approval: 22 May 2023	Issue Number: 2.1 Review Due: Trinity 2024
<h1>Credit Control Policy</h1>	
Owner: Bursar	Author: Bursar

- | |
|--|
| <input type="checkbox"/> Required by ISI
<input type="checkbox"/> ISI requires publication on website
<input checked="" type="checkbox"/> Internal decision to publish on website
<input type="checkbox"/> Required reading for all staff |
|--|

Executive Summary

This policy is for parents of current pupils at Sherborne Girls, and other responsible for the payment of fees and sets out the School's expectations regarding payment of fees, extras, and fees in lieu of notice, and the process to be followed by the School in the event that the agreement to pay is not fulfilled.

Supporting documents

This policy should be read in conjunction with the following School documents:

- [Bursary policy](#)
- [Data Protection policy](#)

To request a copy of any of the documents listed above please contact the Policies, Inspection and Strategy Coordinator:
g.shavesmythies@sherborne.com

Contents

Introduction	2
Anti Money-Laundering	2
Payments.....	3
From Third Parties.....	3
Part Payments	4
Advance Payments.....	4
Instalments	4
Fees Protection	4
Dishonoured Cheques.....	4
Late Payment	4
Default of Payment	5
Legal Action.....	5
Joint and several liability.....	6
Insolvency and notifications	6
Bursaries and Scholarships	6
Voluntary Donations	6
Extras.....	6
Notice of Withdrawal.....	6
Self-employed Teachers.....	7
Information sharing	7
Appendix 1 – Summary of changes in Issue 2.1.....	7

Introduction

Your agreement with the School to pay fees, extras and fees in lieu of notice (“Fees”) is set out in the School’s Terms and Conditions (the “Contract”). The aim of this Policy is to ensure that the Contract is complied with and that parent(s) or other contracting parties (“Parents”) are aware of the process to be followed by the School in the event that they are not.

This Policy is advisory only.

Anti money-laundering

Any payments received by the School will be handled in accordance with the School’s obligations under the [Money-Laundering Regulations 2017](#) and the [Money-Laundering Regulations 2019](#).

The School may require satisfactory evidence of identity and address of a person who is seeking to pay fees.

The School will not accept cash in settlement of invoices.

Payments

Parents are contractually obliged to pay fees termly in advance and extras termly in arrears. Fees will be invoiced in advance of the start of each term and will include the preceding term's extras if applicable. Invoices are due and payable before the commencement of the School term to which they relate.

Provided that the School remains open to the pupil, fees will not be refunded or waived for

- absence through sickness,
- if a term is shortened or a vacation extended,
- if a pupil is released home after public examinations or otherwise before the normal end or
- for any cause other than exceptionally and at the sole discretion of the Head.

Payment by electronic transfer into the School's bank account is the preferred method of payment. The amount of any bank charges incurred by the School for such transfers will be charged on the next invoice.

Payments can also be made by cheque, banker's draft and by instalments pursuant to the Paragraph on Instalments contained within of this Policy.

For the avoidance of doubt, parents should be aware that BACS payments and banker's drafts are treated as cleared funds. We consider cheque payments to be cleared after ten days.

Any queries regarding the payment of fees should be addressed to the Finance Officer. If one or more items on the bill are queried, the balance of the invoice must be paid in accordance with the Contract.

From third parties

The School reserves the right to refuse payment from a third party unless there is a formal third-party agreement in place for the payment of fees (Examples of third parties are companies, businesses, relatives or trusts).

Any agreement with a third party to pay fees due to the School does not in itself release Parents from liability if the third party defaults and does not affect the operation of the Contract, or any provision of this Policy, unless an express release has been given in writing, signed by the Bursar.

If fees are paid through a trust then it is the Parents' responsibility to ensure that fees are paid on time. The School can provide a School bill (less extras) for the following term at an earlier date if requested.

Part payments

Any payment made to the School for less than the full amount due in respect of outstanding invoice(s) will be taken as a payment on account of the outstanding invoice(s) and will be applied to the oldest debt in time and to the eldest child if there is more than one.

Advance payments

Advance payments will be subject to a separate contract between the School and the parents. Further information can be obtained from the Bursar.

Instalments

Fees may be paid in monthly instalments by arrangement with the School if such payments are made in advance of the term for which these fees become due. Since 2022 the School has operated a system where monthly payments will be accepted. These payments will start in the July preceding the next academic year.

Fees may also be paid in monthly instalments through School Fee Plan. Details can be obtained from their website at <https://www.premiumcredit.com/products/School-fee-plan-1-parent>.

Fees protection

Parents can obtain details of providers of fee protection schemes from the School, but the School makes no warranties or recommendations regarding the appropriateness of such schemes.

Responsibility for obtaining cover or for making any claims under the schemes rests solely with Parents.

Dishonoured cheques

In the event that any cheque “bounces” or is otherwise dishonoured, the School will serve formal notice of the non-payment to the Parents and reserves the right to commence proceedings for recovery of the sum owed under the [Bills of Exchange Act 1882](#) or otherwise in the event the School is not put in funds within 14 days of such notice.

The amount of any bank charges incurred by the School for returned cheques will be charged on the next invoice.

Late payment

Interest is chargeable on late payments, save where alternative provisions for the payment of interest are contained in a separate consumer credit agreement made between the Parents and the School in accordance with the Parent Contract.

Parents who have not paid fees by the first day of term will be contacted by the Bursar’s Office.

- **Communication 1** - At the end of week 1, a reminder email will be sent from the Bursar's office.
- **Communication 2** - If no payment is received within 7 days of receipt of communication 1, a second reminder will be sent informing Parents that interest will be charged should the debt not be settled in full and in cleared funds within 7 days of the date of the email.
- **Communication 3** - If no payment is received within 7 days of receipt of communication 2, then interest will be added to the account from the due date of payment of the outstanding invoice(s). Notification of the interest accrual and a further request for payment will then be sent to Parents. This will require payment in full in cleared funds within a further 7 days of receipt of communication 3 to avoid further action being taken.

Interest will be charged at a rate of 2% above base rate per month for late payments for the first term for which payment has not been received. We reserve the right to increase the interest charges for those who persistently make late payments, or who fail to adhere to an agreed payment plan. Interest may be charged or waived at the sole discretion of the Bursar or Head.

Default of payment

In default of payment, Parents may be asked to meet the Bursar to discuss the situation. If a payment arrangement is not agreed within 7 days after the meeting has taken place, parents will be given notice that the pupil(s) will not be permitted to return to School unless payment is made in full in cleared funds within 7 days of receipt of such notice. This notice of exclusion for non-payment of fees will be confirmed in writing in accordance with the Parent Contract.

If the account of a pupil who has been excluded for non-payment has not been cleared in full 28 days after the start of the exclusion, the pupil will be deemed withdrawn without notice and a term's fees in lieu of notice will be due.

An invoice will be raised and in default of payment, recovery action will be initiated.

The School reserves the right to refuse entry to a new pupil if there are fees which remain outstanding for a sibling. The School will scrutinise in detail the accounts for pupils moving into the Sixth Form as part of its due diligence exercise.

Legal action

The School reserves the right to take legal action to recover fees, interest and legal costs against all contracting parties, regardless of who actually made payments previously and regardless of any related ancillary relief order(s) in matrimonial proceedings.

Legal action may be taken to recover fees, whilst a pupil remains at the School. This is only likely in the case that a pupil is in a public examination year, where there is no payment plan and the debt is unacceptable but is deemed recoverable.

For the avoidance of doubt, the School may instruct a third party to pursue debts on their behalf.

Interest at the contractual rate detailed in section 10 above will be charged on the debt and on all associated legal costs.

Joint and several liability

Parents are advised that in the event there is more than one signatory to the Parent Contract (or more than one contracting party), each of the contracting parties are jointly and severally liable for the whole of the obligations under the contract. For the avoidance of doubt, this means that they are each responsible for payment of all the fees. The School has no obligation to pursue all of the contracting parties in subsequent litigation.

Insolvency and notifications

Parents are reminded of their obligations to inform the School of any court orders or insolvency proceedings against them. In the event of personal insolvency, the School reserves the right to submit a proof of debt in respect of any outstanding fees to the appropriate Trustee in Bankruptcy.

Bursaries and Scholarships

Parents are referred to the School's separate [Bursary Policy](#) and are reminded that bursaries are not awarded retrospectively.

In the event that parents encounter difficulty in paying fees, they are encouraged to notify the Bursar of this at the earliest opportunity, in order that proper consideration of eligibility for a Bursary can be given.

Scholarships are awarded for excellence and should not be confused with Bursary awards.

Voluntary donations

Any donations, whether Gift Aided or not, are separate and distinct from payment of fees under the Parent Contract.

Extras

The School reserves the right to refuse permission for pupils to attend trips or educational visits or incur any additional expenditure unless fees have been paid in full. E.g. The School shop account may be stopped if fees have not been paid in full.

Notice of withdrawal

Parents are reminded of their obligation under the contract to give at least one full term's notice in writing of the removal of any pupil from the School. For the avoidance of doubt, the Parent Contract states that if a pupil is withdrawn on less than a term's notice, or excluded for more than twenty-eight days for non-payment of fees, fees in lieu of notice will be immediately due and payable as a debt at the rate applicable to the term in question unless the place is filled immediately and without loss to the School.

Self-employed teachers

The School has no responsibility for the remuneration of self-employed teachers. Invoices are raised directly by the self-employed teacher on Parents who must pay the self-employed teacher(s) direct in accordance with the self-employed teacher's own terms and conditions. The School has a legitimate interest to share data with the self-employed teachers.

Information sharing

The School will obtain, use, hold and process "personal data" including "sensitive personal data" such as that regarding Parents' financial position lawfully and fairly in accordance with the General Data Protection Regulations 2018.

The School also has the right to seek information from current or previous Schools about unpaid fees and to inform any future School or educational establishment of fees which are unpaid at the School.

Appendix 1 – Summary of changes in Issue 2.1

- Addition of executive summary.
- Addition of list of supporting documents.