



**TAUNTON
SCHOOL**

CREDIT CONTROL POLICY

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1. Introduction

The Parents' 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) and/or other contracting parties ("Parents") are aware of the process to be followed by the School in the event that it is not.

This Policy is advisory only.

2. Anti-money laundering

Any payments received by the School will be handled in accordance with the School's obligations under the Money Laundering Regulations 2007. 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.

Where there is an unusual transaction it may be reported to the National Crime Agency.

3. 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 term to which they relate.

Fees will not be refunded or waived for absence through sickness, or if a term is shortened or a vacation extended, or if a pupil is released home after public examinations or otherwise before the normal end of term (provided that the School remains open to the pupil and they wish to stay at School during that period), 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 Paragraph 6 of this Policy.

For the avoidance of doubt, Parents should be aware that BACS payments and banker's drafts are treated as cleared funds. Cheque payments clear after ten days. . Any queries regarding the payment of Fees should be addressed to the Finance Manager. If one or more items on the bill are queried, the balance of the invoice must be paid in accordance with the Contract.

Cash

As stated at Paragraph 2 (above), the School will not accept cash in settlement of invoices.

Company cheques or transfers

The School reserves the right to refuse payment of invoices from companies or businesses unless they have a formal third party agreement with that company or business for the payment of Fees.

The School also reserves the right to refuse to accept payment from a company account unless it can be demonstrated that the Parents own 51% or more of the company from which the payment is proposed to be made.

If Parents do not own a controlling interest in the Company, payment must be accompanied by a board Minute authorising that payment, and stating that at the time of payment, the Company was solvent, and that the payment will not cause the Company to become insolvent.

Payments 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.

Any agreement with a third party (such as a grandparent) 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 Chief Operating Officer.

4. 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, if applicable, or, where all debts are of equal age, to the debt relating to the eldest child, if there is more than one.

5. Advance Payments

Advance payments will be subject to a separate contract between the School and the Parents which provides for, amongst other conditions, a refund of the unused part of the prepayment in the event of the Pupil's leaving the School earlier than expected. Fees in lieu of notice (where applicable) and any other sum due and owing to the School at that time will be deducted from the sum to be refunded.

6. Instalment arrangements

An agreement by the School to accept payment of Fees by direct debit is concessionary and will cease automatically in the event of any default for 30 days or more. On ceasing, the full amount of Fees then due shall be payable forthwith as a debt and a late payment charge will be due. Details of instalment arrangements and other methods of payment are included in the Fees Schedule.

7. 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 that the School is not put in funds within 14 days of such notice being sent.

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

8. Late Payment

The School reserves the right to make a late payment administration charge for every invoice not paid before the first day of each term. In addition to this administration charge, interest may, at the absolute discretion of the School, be charged on a day-to-day basis on Fees which are unpaid following the first day of term. The rate of interest charged will be 2% over Libor accruing on a daily basis, which represents a genuine pre-estimate of the cost to the School of a default, and the application of such interest will be notified to the Parents in writing. The Parents shall also be liable to pay all costs, fees, disbursements and charges including legal fees and costs reasonably incurred by the School in the recovery of any unpaid Fees regardless of the value of the School's claim. Cheques delivered at any time after the first day of term will be presented immediately and will not be considered as payment until cleared.

Any sum tendered that is less than the sum owing may in any event be accepted by the School on account only.

Parents who have not paid fees after 1 week of bills being issued will be sent a reminder notice informing them that payment is due.

A second stronger notice will be sent to Parents one week later.

Should fees remain unpaid after the first and second reminder notices are sent, a third reminder notice will be sent before half term giving notice that the pupil(s) will not be permitted to return after half term. This notice of exclusion for non-payment of Fees will be confirmed in writing in accordance with the 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. The deposit will not be returned/credited and a term's fees in lieu of notice will be due. An invoice will be raised and in default of payment, and recovery action initiated.

Where a debt is over £10,000 and is not reducing, the School may, at the sole discretion of the Chief Operating Officer, ask the Parents to provide some form of security, at their own expense, in order that the School can recoup Fees in the event of default. It is at the discretion of the School as to whether interest is charged on the outstanding balance.

Where a legal charge has been taken against a property to secure a debt and no consistent repayment is being made, the School reserves the right to realise any equity in the property, in accordance with the signed agreement.

Year 11 and Year 13 Pupils

The Parents of any Year 11 or Year 13 pupils with a significant outstanding balance must have an agreed repayment plan in place by Easter in order for the pupil to sit their examinations.

9. 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.

For the avoidance of doubt, the School will instruct a collection agency to pursue debts on their behalf.

10. Joint and several liability

Parents are advised that in the event there is more than one signatory to the 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.

11. 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.

12. Bursaries

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 Finance Director of this at the earliest opportunity, in order that proper consideration of eligibility for a Bursary can be given.

13. Voluntary Donations

Any Gift Aid donations are separate and distinct from payment of Fees under the Contract.

14. Trips

The School reserves the right to refuse permission for pupils to attend trips or educational visits unless Fees have been paid in full.

15. 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, Section 6, Paragraph d) of the Contract states that if a pupil is withdrawn on less than a term's notice, fees in lieu of notice will be immediately due and payable as a debt at the rate applicable

on the date of invoice whether or not the place can be filled.

16. Self-employed Teachers

The School has no responsibility for the remuneration of self-employed teachers, such as those providing private musical instrument tuition. Invoices are raised directly by the self-employed teacher on Parents who must pay the self-employed teacher(s) directly, in accordance with the self-employed teacher's own terms and conditions.

17. 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 Data Protection Act 1998.

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.

Nikki Miller
Chief Operating Officer