



## **Fees Policy**

### **Introduction**

The purpose of this policy is to detail the procedures for collection of fees and arrears in our setting.

### **Policy**

- We do not take a deposit, however fees are due on the first day of the week that the child attends preschool.
- Fees may be paid weekly or monthly in advance.
- We accept; cash, cards, child care vouchers and bank transfers.
- Late fees are charged should parents fail to collect their child on time.
- We operate a 'no arrears' policy. This is to protect the setting budgets and prevent parents building up arrears which they then have difficulty meeting.
- We will withdraw a child's place should arrears build to an unacceptable level.
- We will take legal action if necessary to pursue any outstanding arrears.
- If there are contradictions, the manager will negotiate an appropriate period for payment of the arrears.
- Discussions about arrears are kept private and parents will not be made to feel embarrassed in front of other parents or staff.

### **Procedure**

1. Provide a reminder the first week a parent does not pay.
2. 1st Arrears letter issued with a statement (which can be obtained from the Finance Officer) if parent does not respond to reminder.
3. 2nd Letter issued as soon as the deadline on the 1st letter
4. Following the deadline in the 2<sup>nd</sup> letter the child's place may be withdrawn if the arrears are not addressed.
5. If a payment plan is agreed, have the parent sign letter 3/payment plan below.
6. If the payment plan is not adhered to send the Final Notice letter below.
7. Withdrawal of place with outstanding arrears must be passed to the finance officer in order to raise official invoice (or take legal action) and start debt collection proceedings.
8. Writing off arrears should only be considered where all other administrative and legal options to collect the debt have been exhausted.

### **1st ARREARS NOTICE**

Dear .....

*According to our records, by the end of this week you will be in arrears, for .....’s place at Lollipops. (See statement attached). As you know, we operate a “No Arrears” policy, and parents are required to pay in advance, on a weekly or monthly basis. I would be grateful if you could either: pay the arrears on receipt of this letter,*

or contact me by ..... to arrange a meeting to agree how the outstanding sum will be cleared.

Yours sincerely

2nd Arrears Notice

Dear.....

You did not respond to my letter notifying you that you were in arrears. According to our records, by the end of this week, you will be £..... in arrears for NAME OF CHILD's place at Lollipops

Please find enclosed a copy of your statement of account, for your information. I regret to inform you that, unless all the arrears and all charges due are cleared by ..... your child's place will be withdrawn from ..... inclusive. I would like to invite you to a further meeting to discuss arrangements for clearing these arrears by the deadline.

Please feel free to contact me on 01322 291151

Yours sincerely

Letter 3 /payment plan

Dear .....

As set out in our meeting of ..... /further to our conversation on .....you have agreed to make payments of £..... every week/ calendar month starting on..... As you are aware we operate a "NO ARREARS POLICY".

Please complete and sign the bottom of this letter and return the whole letter to me by..... .

I agree to the payments as set out above and understand that if I miss a payment I will have to clear all of the outstanding arrears.

Should I fail to do this my child's place will be withdrawn and my account will be referred to a debt collection service.

Signature.....

Date.....

Yours sincerely

FINAL NOTICE

Dear .....

You did not make your agreed payment for week beginning ..... As set out in /further to our conversation you have agreed to make payments of £..... every week/ calendar month starting on..... As you are aware we operate a “NO ARREARS POLICY” .

Please complete and sign the bottom of this letter and return the whole letter to me by..... . I agree to the payments as set out above and understand that if I miss a payment I will have to clear all of the outstanding arrears.

Should I fail to do this my account will be referred to a debt collection service.

Signature.....

Date.....

Yours sincerely

\_\_\_\_\_ Signed \_\_\_\_\_ Date \_\_\_\_\_

Staff Name	Date received	Please sign to show you have read and understand this policy.