



Credit Control Policy

1 Introduction

The aims of this policy are to ensure that:

- consistent procedures are followed by the School when collecting payment of Fees, extras or Fees in lieu of notice (**Fees**); and
- members of Bursary staff and Parents or other contracting parties (**Parents**) are aware of these procedures and the implications for the Parents of late or non-payment of Fees.

The School's agreement with Parents to pay Fees is set out in the letter of offer, acceptance form, Fees list and the School's *Terms and Conditions*, separately or together referred to as the **Contract**.

The Contract is formed when the Parents sign the School's Acceptance Form and return it with their deposit and this gives rise to an obligation to comply with the Contractual provisions regarding notice and the payment of Fees.

Extras means supplemental items not included in the tuition Fees. Extras may be incurred by the pupil or by the School on behalf of the pupil or authorised by the Parents. For the purpose of incurring Extras, the pupil is agent for the Parents. These are set out in the Fee list.

This policy is advisory only and does not form any part of the Contract between the School and Parents.

2 Anti-money laundering

All payments received by the School will be handled in accordance with the School's obligations under the Money Laundering Regulations 2007 (2007/2157) and the Proceeds of Crime Act 2002. The School may require satisfactory evidence of identity and address of a person who is seeking to pay Fees. The School will accept cash in settlement of invoices up to £100.

3 Payments

Parents are contractually obliged to pay Fees termly in advance of the start of the School Term to which they relate.

Extras are invoiced on a termly basis. Invoices for Extras are due and payable upon receipt.

Charges for Fees will not be refunded or waived due to a pupil's absence through sickness, or if a pupil is suspended, or if any term is shortened or any vacation extended, or if a pupil is released home after public examinations or otherwise before the specified end of term, or for any other cause except at the Head's sole discretion.

4 Payment methods

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 direct debit or (in respect of fees only) by termly standing order. The School does not currently accept payment by debit or credit cards.

For the avoidance of doubt, Parents should be aware that BACS payments are treated as cleared funds. Payments made by standing order clear after 48 hours. Cheque payments clear after ten days. Parents should take this into consideration when making payments, to ensure Fees are paid on time.

Any queries regarding the payment of Fees should be addressed to the Bursar's Office. If one or more items on an invoice are queried, the balance of the invoice must be paid in accordance with the Contract.

4.1 Cash

The School will accept cash in settlement of invoices up to £100.

4.2 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 the 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.

4.3 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 or employer) 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.

5 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 or the elder or eldest pupil where there is more than one at the School.

6 Instalment arrangements

An agreement by the School to accept payment of Fees by way of instalments is concessionary and is only permitted by prior arrangement with the Bursar. Such arrangements will be subject to a separate agreement between the Parents and the School.

7 Advance payments

Advance payments will be subject to a separate contract between the School and the Parents.

8 Bursaries

The School may from time to time provide bursaries or other awards.

Bursaries are only retained provided that Fees are settled by the due date, unless alternative arrangements have been agreed with the Bursar in writing.

It should be noted that a bursary or other award is a discretionary benefit provided to Parents by the School. A bursary or other award does not affect the legal obligations of the Parents under the Contract, and in default Parents may be liable for the full amount of Fees due under the Contract.

9 Voluntary donations

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

10 Changes to the Contract

Parents are reminded of the provisions in the Contract regarding changes to the Contract. The Contract is subject to reasonable changes from time to time, and Parents will be given reasonable notice of any significant proposals or change of policy likely to affect the school community as a whole.

11 Fees reviews

Fees levels are reviewed annually. Notification of any increase will normally be given before the beginning of the Summer Term and will take effect from the beginning of the following Autumn Term. It may become necessary at other times to increase Fees. Please see clause 3.9 of the School's *Terms and Conditions* for details of the Parent's position in the event of an increase in Fees.

12 Dishonoured cheques and direct debits

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.

The School reserves the right to charge an administration fee of £30 for any dishonoured Direct Debit, to reflect the charged incurred by the bank.

13 Late payment

Interest at a rate of up to 1.5% per month is chargeable daily on late payments.

Parents who have not paid Fees by the first day of term will be contacted in the first week by a member of the Bursar's Office. They will send a reminder informing Parents that interest will be charged should the debt not be settled in full and in cleared funds within seven days of the date of the letter.

If no payment is received within seven days, 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 second

request for payment will then be sent to Parents. This will require payment in full in cleared funds within a further seven days to avoid further action being taken.

In default of payment, Parents may be asked to meet the Bursar within 14 days to discuss the situation. If a satisfactory payment arrangement is not otherwise agreed, Parents may be given notice that the pupil(s) will not be permitted to return. Any 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 and a term's Fees in lieu of notice will be due.

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

The School reserves the right to charge an administration fee of £10 for each letter sent regarding late payment of fees.

14 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 cancellation of a place or the withdrawal of a pupil from the School.

For the avoidance of doubt, clause 7 of the Contract requires Parents to give one term's written notice to the School to that effect, failing which Fees in lieu of notice will immediately become due and payable as a debt by the Parents.

This notice will only be effective if given by all persons who have signed the acceptance form, and addressed to and received by the Head personally. Parents are recommended to seek an acknowledgement of any such notice.

For the avoidance of doubt, the School will seek recovery action for Fees in lieu of notice as well as for unpaid Fees.

15 Administration Fees and deposits

Any administration Fees paid to the School are non-refundable on the cancellation of a place or the withdrawal of the pupil, save where clauses 7.5 or 7.7 of the School's *Terms and Conditions* apply.

Any deposits paid will be retained by the School until after the pupil leaves and then will be repaid without interest to the Parents, save if the pupil has been expelled.

In the event that Fees remain outstanding following the withdrawal of a pupil from the School, then the School will be entitled to retain any acceptance deposit, and deduct this amount from the outstanding amount owed.

16 Fees after suspension or exclusion

In the event that a pupil is suspended or expelled from the School, then the School will not waive any Fees, nor will it refund any Fees already paid by the Parents.

17 Complaints

Complaints made by Parents will be considered in accordance with the School's complaints procedure. Any such complaint should be raised at the earliest opportunity.

18 Trips

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

19 Legal action

The School will instruct solicitors to pursue unpaid debts on their behalf.

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. The School has no obligation to pursue all of the contracting parties in litigation.

Interest at a rate of up to 1.5% per month will be charged on the debt as well as any 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.

20 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), both 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 of the Fees.

21 Insolvency and notifications

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 / Supervisor.

22 Self-employed teachers

The School has no responsibility for the remuneration of any self-employed teachers, which may include (among others) 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) direct in accordance with the self-employed teacher's own terms and conditions.

23 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.