

# **Our Free Minds**

## **Missed Payments and Debts Policy**

### **Legal requirements**

Trustees have ultimate legal responsibility for controlling and managing the affairs of a charity. They must:

- protect the charity's assets, including its money and property
- make informed decisions about the charity's financial position
- meet our legal duty to manage our charity's resources responsibly
- comply with the law (including charity law) and act in the best interests of the charity
- comply with the legal principles of duty of care and duty of prudence and maintain control of charitable funds
- ensure that the charity's funds are used properly, lawfully and in furtherance of the charity's purposes

The charities' procedures must ensure that charitable aid, funds and activities are targeted and delivered to those they intend to assist on the basis of charitable need.

Charities need to know the identity of individual beneficiaries and gather further details about them in order to:

- ensure they qualify for any conditions or criteria which apply
- be able to provide appropriate services to them
- help make a decision within the discretion of the trustees about which beneficiaries to select from a pool of eligible people where there are a limited number of services or activities to be provided by the charity.

### **Fees and payments**

OFM Group fees are always due one week before the start of each term and are non-refundable.

Term dates are published on our website and our shared community calendar, and are also emailed to parents/guardians at the time of booking.

### **Aim of this Policy**

The aim of this policy is to ensure a robust, non discriminatory and fair approach to the method by which we deal with missed or late payments for fees.

We recognise the need for consistency in terms of approach and methodology when handling missed payments, and therefore we feel it is important that a standard process exists and that all involved are aware of this.

Our Free Minds will take all reasonable measures to vigorously collect debts as part of our management of charitable funds.

### **Late Payments**

Where fees are not paid one week in advance of the booked period, the pre-booking discount will be forfeited and the cost will revert to our usual drop-in price.

Where parents book a session and fail to pay the fees due, they will be sent a “**Late Payment Reminder**” by email and/or other means such as phone call, letter or text message.

If you are able to, you should make a payment immediately. If you are unable to pay, you can submit an application for our Hardship Financial Aid assistance.

### **Overdue Payments**

If you neither pay, nor apply for Hardship assistance, after 14 days of the fees being due we will now consider your payment “overdue”. We will issue an “Overdue Payment Notice”.

If a payment is still not received within seven days of receiving an ‘Overdue Payment Notice’ we will require to have a meeting with you to discuss the matter. We will refer you to our Hardship policy and offer to discuss terms for how to pay the debt.

A report of all outstanding fees and payments made and/or missing will be passed to the trustees and they will decide how to proceed on the basis of:

- Hardship application / Demonstration of financial need.
- The financial health of the charity at that time
- The number of hardship spaces available at that time,

At the discretion of the Trustees an administration fee may be added to the account.

We allow one term for a ‘credit settlement period’ before the debt recovery procedures are applied.

### **Outstanding Debt**

If you fail to provide a satisfactory reason for missing any payments, and fail to create a payment plan agreement with us within 30 days of receiving the Overdue Payment Notice, you will be referred to the Treasurer for Debt Recovery.

If you are still unable to agree on an acceptable payment plan, at the discretion of the Trustees we may require that the child no longer attends until the debt is paid.

Any outstanding debt may be referred to a debt collector, and an additional administration fee will be added to the total owed and added to your account.

Any money owed to Our Free Minds has an impact on the charity and may affect the resources we can provide to all children. We hope that parents understand this and will make every effort to avoid owing the charity money. A debt will be written off or passed onto an external debt collection agency only after all reasonable measures (commensurate with the size and nature of the debt) have been taken to recover it.

This policy was adopted by: <a href="#">Our Free Minds</a>	Last reviewed and signed by:
Date of last review: 09.08.2024  To be reviewed : <a href="#">09.08.2027</a>	<ul style="list-style-type: none"><li>- <a href="#">Katie Kotting, Chair of the Board of Trustees</a></li><li>- <a href="#">Clea Sambrook, Trustee for Safeguarding</a></li><li>- <a href="#">Poppy De Witt, Trustee</a></li></ul>