



Debt Recovery Policy

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Owner: Nursery Operations Team

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Policy Statement

It is important that childcare fees owed to Kiddie Capers Childcare Ltd. are paid promptly by parents and carers as this ensures that there is a stable and sustainable income stream for the company to operate. Therefore, it is equally important that any customers that fall into arrears with their accounts are dealt with quickly to ensure their account is maintained correctly. The following policy will detail how staff should manage accounts that have fallen into arrears.

Missed Payments and Late Fees

All childcare fees should be paid by the 1st day of every calendar month, in advance of that month's care, in the event of late payment on an account the customer should be informed immediately, and a late payment charge will be added to their account after 5 days, in line with Terms and Conditions. Under exceptional circumstances this late payment charge may be waived but only with the agreement of Directors. It is the responsibility of the customer to ensure that payments, including voucher schemes, have cleared by the 1st of the month or a late payment fee should be applied.

Unpaid Fees

If an account has outstanding fees 5 calendar days after they are due (i.e., the 5th of the month or the first working day after it), a late fee of 10% will be added to the balance and a further invoice sent to the customer. If, after 10 calendar days (i.e., the 10th of the month or the first working day after it), the customer fails to make the required payment then the Office Manager will write to the customer to advise that their child(ren)'s place will be withdrawn with immediate effect, however funded hours may still be accessed. No further bookings will be allowed after this point unless full payment is made. If payment is still due on the 1st of the next month, another 10% late fee will be added. Kiddie Capers Childcare Ltd may decide to terminate the child(ren)'s place.

From our Terms and Conditions:

If fees remain outstanding for more than 5 days: The nursery reserves the right to charge a late payment fee of 10% on any outstanding balance. The nursery may serve 14 days' notice in writing to terminate the contract. Upon termination of this contract the child shall cease forthwith to be admitted to the nursery and the nursery's notice to terminate shall be regarded as a formal demand for all outstanding monies.

Customers Facing Financial Difficulties

In the event that customers find themselves in financial hardship and arrears begin to accrue on their account a payment plan can be agreed to incrementally reduce arrears. This

should be proposed by the customer and formally agreed in writing by the Office Manager. However, if once agreed the customer fails to make the required payment on the required day, then the payment plan should be considered null and void and their child(ren)s place will be withdrawn as above.

Timeline (or first working day following the date)

20th Invoices issued

27th Reminders issued

1st Invoice payment due in full

5th 10% late fee added to outstanding amount and reminder sent

10th Child prevented from accessing any unpaid hours at site

1st of next month a further 10% late fee applied.

Document history

Date	Version	Section	Details	Reviewed by
10/11/2025	1.0		Creation of new policy	LE