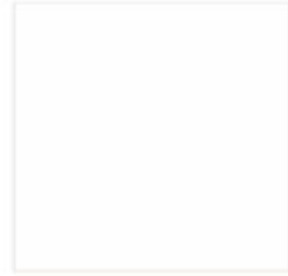
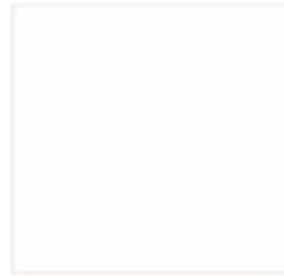
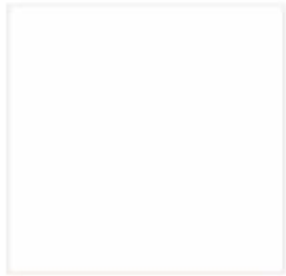


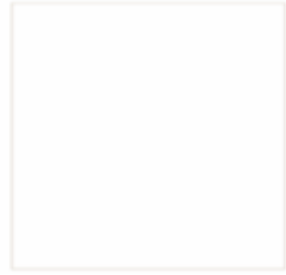
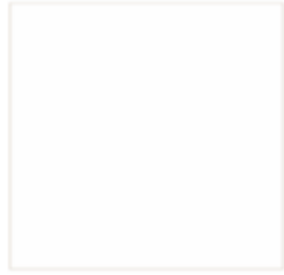


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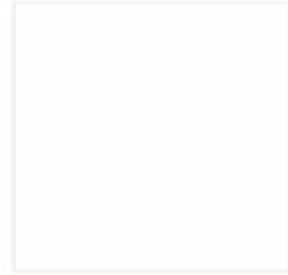
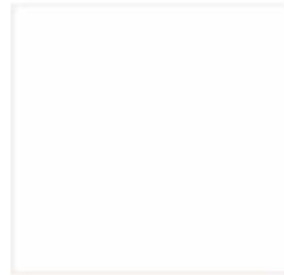
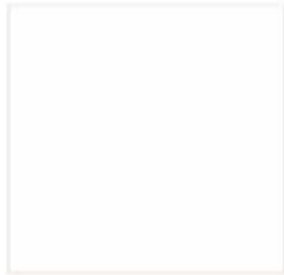
Managing your school's cash flow

Enforcing the Parent Contract and Effective Fee Recovery



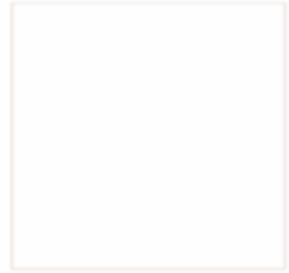
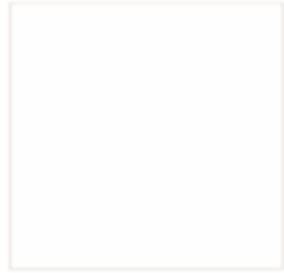


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Tabitha Cave, Partner and Yvonne Spencer, Partner

Veale Wasbrough Lawyers





Fee Recovery and the Parent Contract

The Parent Contract:

“There is probably no contract in the world which is wider in its scope, potentially longer in its duration, more complex in its elements, less specific in what is promised and less quantifiable in what is delivered – about which less has been written – than the contract for educational services.”

Robert Boyd 1998



Fee Recovery and the Parent Contract

Contractual documents:

- Terms and Conditions
- Prospectus
- Contractual offer i.e. offer letter / Bursary Award
- Acceptance form
- Policies
- Custom and practice

When a school has only poorly drafted contractual documents, or no documents at all – it is handing the control of its contracts to the Court.



Fee Recovery and the Parent Contract

The Clauses in the Parent Contract relevant to Fee Recovery:

- “The Parents”
- Payment of fees by a Third Party
- Fees in lieu of notice
- Part Payment
- Appropriation
- Fee Increases
- Exclusion for Non-Payment
- Instalment Arrangements



Fee Recovery and the Parent Contract

“The Parents”

- Important to ensure that the person paying the fees is the person signing the Acceptance Form – or ensure there is a Third Party Agreement



Fee Recovery and the Parent Contract

Payment of fees by a Third Party

- An agreement with a third party to pay fees does not release the Parents from liability if third party defaults – important to include this in T&C's



Fee Recovery and the Parent Contract

Fees in lieu of notice (FILON)

- Where a full terms fees must be paid if inadequate notice given
- Not limited to parental contribution i.e. if Bursary Award
- Is this clause fair?



Fee Recovery and the Parent Contract

Part Payment

- Late payment charges to reflect the cost to the school

Appropriation

- Payment made in respect of one child - used to pay unpaid account of sibling



Fee Recovery and the Parent Contract

Fee increases

- If less than a term's notice given for a fee increase greater than 8% - parents can give notice to withdraw within 21 days and not incur FILON



Fee Recovery and the Parent Contract

Exclusion for Non-Payment

- Should reserve right in T&C's to exclude (on 3 days' written notice) while Fees are unpaid
- Pupil then deemed withdrawn without notice 28 days after exclusion
- FILON payable



Fee Recovery and the Parent Contract

Instalment arrangements

- Consumer Credit Licence?
- Arrangement must comply with Consumer Credit Act 2006



Scholarships and Bursaries

- **Discretionary privilege**
- **FILON not limited to parental contribution where there is a Bursary or Scholarship**

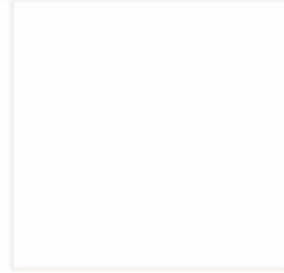
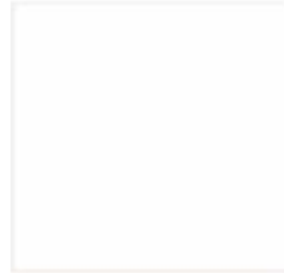
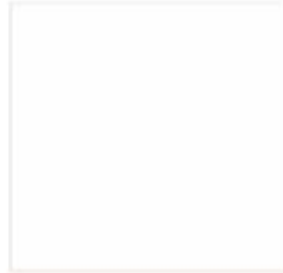
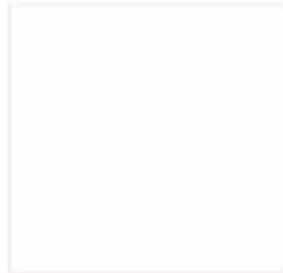
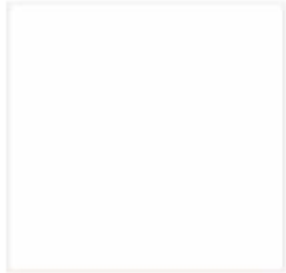


Parent Complaints

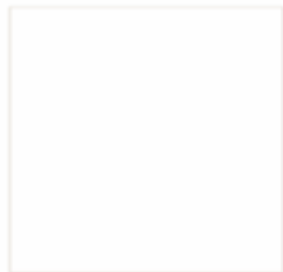
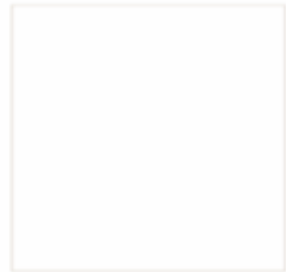
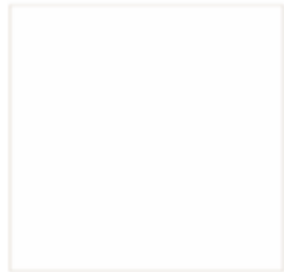
- **Sometimes used as a way of deferring fee debt**
- **Identifying a complaint**
- **The complaints procedure and its stages**
- **Parties to the complaint**
- **The need to provide detailed written reasons for the outcome of Stage 2 and 3 complaints**



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