

 <p>DISTRICT COUNCIL OF TUMBY BAY</p>	<p>POLICY# 5.13</p> <p>Debtors</p> <p>POLICY AREA</p> <p>Finance</p>	Version No:	1
		Issued:	Oct 2011
		Next Review:	2018

Aims & Objectives

To provide direction for Council Officers in maintaining all Council debtors records.

Policy Detail

Debtor Accounts

- (a) The Chief Executive Officer will cause to be prepared a record of all debtors and transactions relating thereto.
- (b) Ensure that records are maintained detailing all works or services undertaken which require invoicing. These records should be reviewed regularly to ensure prompt production of invoices.
- (c) All invoices will be sequentially pre-numbered and issued strictly in order. Missing numbers should be investigated after regular sequence checks.
- (c) All works or services undertaken by the Council will be raised as a Debtor within one month.
- (d) Account allocations are to be made or authorised by a responsible official.
- (e) All debtors shall be reviewed monthly.

Reconciliation

- (a) Debtors ledgers (rates and others) are to be reconciled monthly to the general ledger and discrepancies immediately investigated.
- (b) New debtors' ledger accounts are not to be opened without authorisation from the Deputy Chief Executive Officer.

Recovery of Outstanding Debtors

Debts owing to the Council shall be collected as follows:-

General Debtors

- (a) All debtors are to be issued an Invoice detailing the service or charge levied by the Council.
- (b) All debtors one (1) month in arrears are to be contacted by a Council Officer to request payment, or to enter into a satisfactory payment arrangement with the debtor.

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- (c) If the debtor fails to make satisfactory payment arrangements the debtor will be referred to Councils Debt Collector to commence legal recovery action. All recovery costs with the exception of commission on payments received will be recoverable as part of the outstanding debt.

Rate Debtors

Rate Debtors shall include all general rates, separate rates, differential rates, CMWS service charges, waste service charges amounts, and any other charge levied by Council from time to time that is charged on the quarterly rate notice.

Council shall take a fair, reasonable and consistent approach in collecting outstanding rates, whilst having regard for provisions of the Local Government Act 1999. Rate debtors shall be given the opportunity and be encouraged to make payment arrangements to effect payment of rates.

Collection procedures shall be as follows:-

- (a) All rate debtors are to be contacted by a Council Officer to request payment, or enter into a satisfactory payment arrangement with the debtor once any rate instalment becomes overdue.
- (b) If the rate debtor fails to make satisfactory payment arrangement the debtor will be referred to Councils Debt Collector to commence legal recovery action. All recovery costs with the exception of commission on payments received will be recoverable as part of the outstanding debt.
- (c) The Deputy Chief Executive Officer will report to Council any rate debtors that have remained unpaid following implementation of recovery action as detailed above, and are in arrears for three years or more. Council will give the Deputy Chief Executive Officer direction on further recovery action pursuant to Section 184 of the Local Government Act 1999 on presentation of such a report.

Strategic Link:

Delegation:

Council delegates to the Deputy Chief Executive Officer and Rates Officer the power to initiate legal recovery action up to the point of selling the land for non-payment of rates as per Section 184 of the Local Government Act 1999.

Council delegates the Deputy Chief Executive Officer and Rates Officer the power to initiate legal recovery action to recover outstanding general debtors.

Council delegates to the Chief Executive Officer the power to write off debts for outstanding general debtors up to a limit of \$1000 per debtor as per provisions of Sections 143 (3) of the Local Government Act 1999.

Sub-Delegation:

- Delegation made to a specific position (including Chief Executive Officer) extends to any person appointed to act in the position.
- In the absence of the Chief Executive Officer, delegation extends to the Senior Administration & Finance Officer.

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Documentation (Legislation & Forms):

Authority: Adopted by Council: 10/10/2011 {Motion No 19c/102011}
 Reviewed by Council: 10/11/2015 {Motion No 7c/112015}

SIGNED:

Responsible Officer

Date: ____/____/____

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