

<b>Policy title</b>	Debt Recovery
<b>Responsible manager(s)</b>	Director Finance and Business Development
<b>Contact officer(s)</b>	Divisional Manager Finance
<b>Directorate</b>	Finance and Business Development
<b>Approval date</b>	28 March 2017
<b>Focus area</b>	Support Services
<b>Delivery Program link</b>	SS1.1 Manage Council's financial assets and obligations
<b>Operational Plan link</b>	SS1.1.3 Levying and collection of rates and charges

### Purpose

The purpose of this policy is to ensure ethical, effective and efficient debt recovery, including rates, charges and other debts.

Council pursues commercial debt recovery procedures in order to minimise the impact of outstanding debts on Council's financial position.

Debt recovery procedures of Council and any agent employed by Council must meet the highest ethical and professional standards, such as the Debt Collection Guideline for collectors and creditors, developed jointly by the Australian Competition and Consumer Commission (ACCC) and Australian Securities and Investments Commission (ASIC), in 2010.

### Policy aims:

- To promote a clear guideline for the recovery of debts.
- To ensure consistency and fairness in the way Council deals with debt recovery.
- To ensure compliance with legislative requirements and financial industry guidelines.
- To take such steps as are appropriate to minimise the impact of outstanding debts on Council's financial position.
- To make Council's policy and requirements regarding debt recovery readily accessible and understandable to the public.

### Policy details

<b>1</b>	<b>Application</b> This policy applies to Eurobodalla Shire Council and its ratepayers and debtors.
<b>2</b>	<b>Legislation</b> This policy ensures Eurobodalla Shire Council's compliance with the <i>Local Government Act 1993</i> and follows ACCC and ASIC debt collection guidelines.
<b>3</b>	<b>Rates and Property Debts</b> <ul style="list-style-type: none"> <li>• All rates and property debts are to be recorded so that they are correctly and automatically included within any S603 certificate (or like certificate) and therefore correctly dealt with and settled during any property sale process.</li> <li>• Commercial debt recovery procedures will be pursued in order to minimise the impact of outstanding debts on council's financial position. Council will adhere to</li> </ul>

	ethical guidelines in respect of debt recovery procedures. Debtors will be advised of the likely additional legal costs prior to the issue of any summons. <ul style="list-style-type: none"> <li>Land may be sold, with Council approval, where rate or other property debt arrears are greater than the land value of the property, or rates are in arrears for five years.</li> </ul>
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## Implementation

Requirements		Responsibility
<b>1</b>	<b>Coordination and Implementation</b> The Divisional Manager Finance and the Revenue Accountant are responsible for coordinating and implementing the policy.	Divisional Manager Finance and the Revenue Accountant
<b>2</b>	<b>Staff</b> Under supervision, relevant Council staff will be responsible for ensuring that this policy is implemented appropriately within their work area, after they have received appropriate training to do so.	Council officers
<b>3</b>	<b>Concerns</b> Public concerns communicated to Council in relation to this policy will be recorded on Council's records system and handled in accordance with Council's Customer Service or Complaints policy. These records will be used to determine any follow-up actions and analyse the history of reported public concerns.	Council officers
<b>4</b>	<b>Consultation</b> Any consultation deemed necessary will occur as required with key stakeholders, which may include (but not be limited to) the community, other agencies, statutory and industry bodies. Public submissions regarding this policy are invited for consideration during the exhibition period.	As applicable

## Review

The policy will be automatically revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless Council revokes it sooner.

**Note:** Automatic revocation of the policy is provided for by section 165(4) of the Local Government Act 1993. The next general local government election is expected to be held in September 2020.

This policy may also be reviewed and updated as necessary when legislation requires it; or Council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages Debt Recovery.

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Concerns	Council records
Customer Feedback Survey Responses	Surveys
Audit (Internal or External)	Audit

## Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

### Related legislation and policies

Name	Link
Rates and Debtors Hardship Policy	<a href="http://www.esc.nsw.gov.au/inside-council/council/council-policies">www.esc.nsw.gov.au/inside-council/council/council-policies</a>
Local Government Act 1993	<a href="http://www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/">www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/</a>

### Related external references

Name	Link
Office of Local Government	<a href="http://www.olg.nsw.gov.au">www.olg.nsw.gov.au</a>
Debt Collection Guideline for collectors and creditors (ACCC/ASIC) 2010	<a href="http://www.accc.gov.au/business/treating-customers-fairly/debt-collection#read-the-joint-accc-asic-guide">www.accc.gov.au/business/treating-customers-fairly/debt-collection#read-the-joint-accc-asic-guide</a>

### Change history

Version	Approval date	Approved by	Min No	File No	Change
1	2006	Council	06/136	E06.0380 E05.9513	Debt Recovery and Debtor Accounts - Commercial Operations policy commenced.
2	22/09/2009	Council	09/369	E05.9513 E09.3418	Policy updated report G09-99.
3	27/08/2013	Council	13/246	E05.9513 E13.7095	Updated template, review date and links, renamed policy, consolidated 'Debtors and Recoveries' and 'Rates Recovery' policies into one policy. Report O13/131.
4	28 Mar 2017	Council	17/56	E05.9513 E16.0297	Reviewed and updated (start of new Council term).

### Internal use

Responsible officer	Director Finance and Business Development		Approved by	Council	
Minute	17/56	Report	GMR17/008	Effective date	28 Mar 2017
File	E05.9513 E16.0297	Review date	Sep 2020	Pages	3