



WARRNAMBOOL
CITY COUNCIL

Debt Management Policy

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1. INTRODUCTION

1.1. Purpose

The purpose of this policy is to provide for sound credit management and the recovery of debt in a timely manner.

Council will exercise its debt recovery powers in order to maximise the outcomes for the Warrnambool community. It will be guided by the principles of:

- transparency by making clear the obligations of debtors and the processes used by Council in assisting it to meet its obligations;
- efficiency and effectiveness by making the processes used to recover outstanding debts clear, simple to administer and effective. Such processes will also support overall Council policies and the various undertakings run by the Council;
- capacity to pay in determining appropriate arrangements for different groups within the community, along with recognising various levels of vulnerability of these groups and;
- equity by treating all debtors consistently and in a fair manner.

1.2. Scope

This policy applies to all service units and Council employees authorised with the responsibility of providing credit, invoicing and collecting debt including rate and non-rate fees and charges.

The Council's debt consists of two major categories, being:

- Rate Debtors, which are the responsibility of the Manager Revenue and Property and can only be raised by this unit; and
- Non-Rate Debtors, of which the Manager Financial Services oversees and can be raised by Service Managers, Managers or Directors in their relevant roles

The Council is a single entity, and as such any debt that accrues to any branch or division of the Council remains a debt of the Council entity.

This Policy applies to all Council services and Council employees authorised with the responsibility of providing credit, invoicing and recovery of outstanding debt as follows:

Rate Debtors

- General rates
- Differential rates
- Special rates and charges
- Municipal charge
- Waste charges
- Interest and miscellaneous charges.

Non-Rate Debtors

- Early Years Learning & Development
 - Centre based childcare fees
 - Family day Care fees
 - Kindergarten fees
 - After kinder care fees

- Active Ageing & Inclusion
 - Archie Graham room hire fees
 - Hydro pool fees
 - Planned Activity Group fees

- HACC Services
 - Meals on Wheels
 - Respite fees
 - Planned Activity Group fees
 - Home Care and Personal Care fees
 - Home Maintenance Fees

- Recreation & Culture
 - Aquazone Fees and charges
 - Gymnastic fees
 - Out of School Hours Care fees
 - Stadium Hire fees
 - Lighthouse Theatre fees
 - Art Gallery fees

- Tourism Services
 - Foreshore Caravan Park fees
 - Flagstaff Hill fees
 - City Strategy & Development fees

- Building Services
 - Statutory Certificate Charges

- Health & Local Laws
 - Dog and Cat Registrations
 - Infringements – Animal Local Laws and Parking Fines
 - Food and Health Regulations
 - Footpath Trading Permits (Local Laws)
 - Community Housing Rents

- Other
 - Planning Fees
 - Rental Charges
 - Saleyards Fees
 - Sundry Debtor Fees and Charges
 - Any other fee or charged raised via an invoice

1.4. Definitions

Term	Definition
Accounts Receivable	All terms refer to an amount owed to Council
Credit Account	
Debt	
Service	Includes goods supplied or delivered, provision of services, admission, sale of items, hire of facilities or items - supply of information and any other matter giving rise to a fee or charge being made by Council.
Debtor	Any person, corporation, business or other entity owing money to Council
Provision for Doubtful Debts	An estimate of the amount of debt raised that is unlikely to be collected.
Council employee	An officer or staff member Is a person employed by Warrnambool City Council, including the Chief Executive, Directors, Managers and any person engaged as a short term employee or a contractor undertaking duties on behalf of Council.

1.5. References

Acts	<ul style="list-style-type: none"> Local Government Act 1889 Penalty Interest Act 1983
Standards or Guidance Materials	<ul style="list-style-type: none"> Australian Accounting Standards
Related Policies/Procedures	<ul style="list-style-type: none"> Annual Budget (including Fees & Charges, Rating Strategy) Councillors Code of Conduct Staff Code of Conduct Fraud Prevention & Control Policy Debt Management Procedures Cash Collection and Handling Procedures Records Management Policy Complaints Handling Policy Instrument of Delegation

2. POLICY

2.1. Policy Statement

The granting of credit and recovery of debts outstanding must be controlled from the timely raising and issuing of invoices through to the subsequent monitoring and collection of such debt. Council is committed to operating effective, transparent, fair billing and debt collection processes, with timely and accurate reporting.

Council debt is to be managed in accordance with this policy and where applicable the Council's defined debt management procedures.

3. RECORDS MANAGEMENT

Council is committed to adhering to all relevant Australian Accounting Standards, the Records Management Act and Council's own Records Management Policy in regard to all supporting documents being maintained accordingly.

4. GOVERNANCE

4.1. Owner

Council is responsible for approving the Debt Management Policy.

4.2. Review

The Manager Financial Services is responsible for ensuring the policy is reviewed for any necessary amendments no later than three years after its formulation, or after the last review.

4.3. Compliance Responsibility

This policy document applies to all staff of the Council and must be adhered to accordingly.

4.4. Charter of Human Rights Compliance

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).

Warrnambool City Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee health and safety representatives in any workplace change that may affect the health and safety of any of its employees.