



Australian Government

Department of Education, Employment and Workplace Relations

LGAGOVA405A Implement debt recovery procedures

Release 2

LGAGOVA405A Implement debt recovery procedures

Modification History

LGAGOVA405A Release 2: Layout adjusted.

LGAGOVA405A Release 1: Primary release.

Unit Descriptor

This unit covers recommendations on action to be taken to recover or write off debts.

Application of the Unit

This unit supports the attainment of skills and knowledge required for competent workplace performance in councils of all sizes. Knowledge of the legislation and regulations within which councils must operate is essential. The unique nature of councils, as a tier of government directed by elected members and reflecting the needs of local communities, must be appropriately reflected.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a Unit of Competency

Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Negotiate to obtain payment of debt	1.1 <i>Information regarding whereabouts and individual circumstances of debtors</i> is <i>accessed</i> in line with council procedures and legislative provisions. 1.2 All <i>relevant customer details</i> are confirmed. 1.3 Special arrangements for payment of <i>debt</i> are <i>negotiated</i> with debtors where possible to maximise probability of recovery of debt. 1.4 <i>Agreements are documented</i> , followed up and renegotiated as necessary. 1.5 Agreements are reviewed as necessary to take into account <i>changes in debtor circumstances</i> .
2 Recommend action on bad debts	2.1 Reported bad debts are analysed to determine appropriate debt recovery method. 2.2 Value of bad debt is <i>assessed against potential cost</i> and likelihood of recovery. 2.3 <i>Appropriate action</i> is recommended based on council policy and capacity to pay. 2.4 Doubtful debts are provided for at end of year, backed up by evidence.
3 Take legal action as required	3.1 Proceedings are instigated within delegated authority and in accordance with council policy and procedures and legislative requirements. 3.2 Disclaimers are included on rates notices as appropriate. 3.3 Information to support court action if required is prepared clearly, accurately and within time frame.
4 Report on debt recovery	4.1 Annual timetable is prepared for the issue of instalment and <i>other notices</i> . 4.2 Reports on debt recovery performance are submitted in accordance with Council requirements. 4.3 Style of report is consistent with purpose and intended audience. 4.4 Recommendations on policy changes and new policy development are made based on legislative requirements and improved debt recovery practices.

Required Skills and Knowledge

This describes the essential skills and knowledge and their level, required for this unit

Required Skills

- negotiation
- conflict resolution
- report writing
- analytical
- research and information gathering
- assessment of individual circumstances
- word processing

Required Knowledge

- council policy and procedures in relation to debt recovery
- debtors systems
- debt recovery methods (internal and those of an external agency)
- civil claims legislation
- local government legislation relating to debt recovery
- rates, fees and charges
- defamation legislation
- law of torts: negligence, harassment and trespass

Evidence Guide

Overview of assessment requirements	A person who demonstrates competency in this unit will be able to perform the outcomes described in the Elements to the required performance level detailed in the Performance Criteria. The knowledge and skill requirements described in the Range Statement must also be demonstrated. For example, knowledge of the legislative framework and safe work practices that underpin the performance of the unit are also required to be demonstrated
Critical aspects of evidence to be considered	<p>Selection of debt recovery method is based on council policy and capacity to pay.</p> <p>Accurate reporting of debt recovery is in line with council requirements.</p> <p>Implementation of appropriate debt recovery action is timely.</p> <p>Follow up is timely.</p> <p>Special arrangement agreements are maintained and reviewed.</p>
Context of assessment	<p>Selection of debt recovery method is based on council policy and capacity to pay.</p> <p>Accurate reporting of debt recovery is in line with council requirements.</p> <p>Implementation of appropriate debt recovery action is timely.</p> <p>Follow up is timely.</p> <p>Special arrangement agreements are maintained and reviewed.</p>
Method of assessment	<p>The following assessment methods are suggested:</p> <ul style="list-style-type: none"> • observation of the learner performing a range of workplace tasks over sufficient time to demonstrate handling of a range of contingencies • written and/or oral questioning to assess knowledge and understanding • completion of workplace documentation • third-party reports from experienced practitioners • completion of self-paced learning materials including personal reflection and feedback from trainer, coach or supervisor
Evidence required for demonstration of consistent performance	This unit should be assessed over a period of time and across a range of variables including end of year arrears reports.
Resource implications	<p>Access to a workplace or simulated case study that covers key aspects of debt recovery process including:</p> <ul style="list-style-type: none"> • resources on debt recovery methods • council policy and procedures

- legal principles, requirements and processes

Range Statement

The Range Statement relates to the Unit of Competency as a whole. It allows for different work environments and situations that may affect performance. ***Bold italicised*** wording in the Performance Criteria is detailed below.

- Information regarding debtors*** may include:
- current address
 - financial situation
 - history of payment
 - responsibility for debt
 - status of debt (current or non current)
 - status of creditor (secured or unsecured)
- Accessing information*** may include:
- advertising in local media
 - council business papers
 - information proffered
 - questioning other people
 - electronic or hard copy white and yellow pages
 - land titles office
 - electoral rolls
 - company searches
 - property inspections and visits
- Relevant customer details*** may include:
- correct name, address and telephone number
 - other contact details
- Debts*** may include:
- rates
 - fines
 - valid accounts issued for provision of goods and services
- Negotiate*** may include:
- take initiatives
 - provide support reasons
 - consider suggestions of others
 - respond appropriately
- Documenting agreements*** may include:
- diarising
 - notes
 - memos
 - formal agreements
- Changes in debtor circumstances*** may include:
- changes due to government policy, particularly in relation to pensions
- Assess value against cost*** may include:
- minimum amount warranting legal action for recovery
- Appropriate action*** may include:
- abandonments
 - writing off

- sale of land for unpaid rates
 - payment by special arrangement
 - court action
 - involving an outside debt recovery agency
 - involving an outside printing or mailing house
 - issuing summons
 - issuing judgements
 - issuing writs
 - garnishee
 - tracing owners
 - in-house debt recovery
 - rent for rates against tenants
- Other notices* may include:
- reminder notices
 - final notices
 - notices prior to legal action
 - notices of legal action
 - follow up notices
 - summons
 - writs

Unit Sector(s)

Administration Units