

LESEDI LOCAL MUNICIPALITY

**STANDARD OPERATING PROCEDURES
FOR DEBTOR'S MAINTENANCE AND ADMINISTRATION
(2013/2014)**

NR	PROCEDURE	FREQUENCY	RESPONSIBLE PERSON
1	Debtors' maintenance and administration:		
1.1	Revenue must ensure that all consumers have an account opened for billing as per approved tariffs policy and a signed agreement in place.	On going	Accountant Revenue
1.2	Upon receiving an application form for a new connection with an ID copy, regarding new applicants, open an account using the details contained in the form to create an account for billing.	On going	Debtors Clerk
1.3	Ensure that correct details are entailed on the agreement & completed i.e. addresses, ID number and amounts billed on the financial system.	On going	Debtors Clerk
1.4	Review the property information on the system by inspection of relevant documents including the title deed (or deeds search document) and signed agreement and confirm ownership or lease agreements with the details of the prospective customer.	On going	Debtors /enquiry Clerk
1.5	Inspect the property information for any outstanding balances. Attach the printout of the previous owners or tenants balance to the application form.	On going	Debtors /enquiry Clerk
1.6	If outstanding balances exist, ensure that the owner settle the outstanding amounts prior to registering the new customer against the property.	On going	Debtors /enquiry Clerk
1.7	Sign the checklist as evidence of checking the required information and documentation and submit the completed application form and signed checklist to Accountant Income for review.	On going	Debtors /enquiry Clerk
1.8	Review the completed application form and the signed	On going	Debtors /enquiry Clerk

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	checklist for validity, completeness and accuracy; If all is in order approve the application form, otherwise return the form for correction. Return approved form to enquiries clerk /debtors clerk for registering on the application register.		
1.9	Submit a copy of the approved application form to Technical Services / contractor for connection of services. Request the relevant person to acknowledge receipt of the new application form by signing the new application register.	On going	Debtors /enquiry Clerk
1.10	Enter the meter information on the system.	On going	Debtors /enquiry Clerk
1.11	Link meter information to the account and raise deposit.	On going	Debtors /enquiry Clerk
1.12	Verify the meter information against the application form to confirm that the information was captured correctly. Sign the application as evidence of processing.	On going	Debtors /enquiry Clerk, Accountant Income
1.13	Print a list of all the new accounts for the day (connections report) and review.	Weekly basis	Accountant Income
1.14	For terminations and reconnections update the daily application Register and send to Trading Services / Contractor for physical termination and reconnections.	On going	Debtors /enquiry Clerk,
1.15	Accounts must be billed by the 25th of every month except at the last working day of the financial year. It must be mailed within five working days after billing, in order to avoid late payments.	Monthly basis	Accountant Income
1.16	Debtors' Reconciliation must be performed every month and be submitted to the Manager: Income by the 7th of every month for verification & be signed off as correct.	Monthly basis	Accountant Income
1.17	Monitor the debtors' accounts for outstanding amounts by working on the Debtors Age Analysis & focus more attention on outstanding debtors of 30 days and more.	On going	Chief Credit Controller
	Chief Building Inspector - Any new structure must include occupation certificates (must be forwarded to Finance Department)	On going	Chief building inspector

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1.18	Debtors must be contacted telephonically to make arrangements and reminders have to be sent for outstanding amounts. All this must be recorded.	Weekly basis	Accountant Credit Control
1.19	Blocked accounts must be monitored by Credit Control for correctness to avoid blocking a paid up consumer.	On going	Accountant Credit Control
1.20	Credit Control & Debt Collection Policy must be implemented fully where disconnections of services / restrictions take place, by compiling a Disconnection List to be forwarded to the contractor doing disconnections on behalf of the municipality. Implementation must be on a monthly basis after the cut-off date for accounts payments.	Monthly basis	Accountant Credit Control
1.21	Outstanding debtors for more than 90 days must be handed over to a Debt Collector, with the exception of approved indigents which amounts must be written off on approval by Council.	On going	Chief Credit Controller

APPROVAL OF SOP

SIGNATURE : LINE MANAGER

DATE

SIGNATURE : HEAD OF DEPARTMENT

DATE