

LESEDI LOCAL MUNICIPALITY

**STANDARD OPERATING PROCEDURES
FOR REVENUE MANAGEMENT – CREDIT CONTROL
(2013/2014)**

NR	PROCEDURE	FREQUENCY	RESPONSIBLE PERSON
1.	Disconnection & reconnection of services (Credit Control)		
1.1	If a consumer account has been disconnected / blocked for pre-paid system due to non-payment of services, the reconnection fees as stipulated on the Debt Collection and Credit control policy must be paid before the services are reconnected and/ or an arrangement are entered into between Council as per Delegation of Powers and the relevant consumer/ ratepayer.	On going	Chief credit Controller , Accountant Credit Controller, Credit control section
1.2	That the Legal Section be notified when services related to accounts that was not paid for cases where it might become a judgement case.	On going	Chief credit Controller , Accountant Credit Controller
1.3	Issue notices for credit control purposes in line with policy for outstanding amounts	On going	Chief credit Controller , Accountant Credit Controller Credit control section

1.4	<p>Arrangements to be done in line with the credit control policy:</p> <ul style="list-style-type: none"> - Residential – payment of 10% + current account to be received before arrangements could be made - Business – payment of 20% + current account to be received before arrangements could be made 	On going	Chief credit Controller, Accountant Credit Controller, Credit Control section
1.5	<p>Payment extension is only applicable to current accounts and the application should be submitted before the due date in terms of the policy – the applicant will be informed if the application has been declined</p>	On going	Chief credit Controller, Accountant Credit Controller, Credit control section
1.5	<p>Hand over accounts with balances of 90 days and above to the debt collectors.</p>	On going	Chief Credit Controller Accountant Credit Controller,
1.6	<p>Manage payment files for handed over accounts</p>	Weekly	Chief Credit Controller Accountant Credit Controller,
1.7	<p>Handle accounts queries for accounts handed over</p>	Daily	Meter reading section, Credit control section
1.8	<p>Withdraw handed over accounts for Indigent accounts or if accounts were handed over erroneously</p>	Daily	Chief Credit Controller Accountant Credit Controller,

1.9	Apply all the steps of disconnection of services for defaulters in line with credit control policy	Monthly	Chief Credit Controller Accountant Credit Controller, credit control section
2	Fines on Meter Tampering (credit control)		
2.1	If a consumer has been found, having tampered with the electricity or water meter, the flow will be reduced by means of a restrictor where after the relevant fees as stipulated on the Debt Collection and Credit Control Policy will be applicable.	On going	Chief Credit Controller, Accountant Credit Controller
2.2	Ensure that the BCX System record it as a non-exchange on the system and not as an exchange transaction	On going	Chief Credit Controller, Accountant Credit Controller
2.3	The Electricians will not remove and/or change any maintenance work on the electrical poles prior to consulting with the Finance Department	On going	Chief Credit Controller, Accountant Credit Controller, Electrical dept
2.4	Meter audits will be done on a regular basis utilising usage data on the system where accounts movements are monitored to detect any electricity or water usage through a meter or prepaid. If no movements or minor movements are noticed, then that account will be included on the list to be forwarded to the appointed contractor / officials to go and audit such a meter.	On going	Chief credit controller, Accountant Credit Control

APPROVAL OF SOP

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SIGNATURE : LINE MANAGER

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DATE

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SIGNATURE : HEAD OF DEPARTMENT

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DATE