

**Unit: LC10 Investigate arrears and recover debts**

---

**Overview**

This unit is about identifying arrears in accounts and implementing measures with the customer to put the repayments back on track. You need to investigate the causes of the problem and to develop a clear picture about whether or not further action may be required. Throughout the process you need to be aware of the delicate aspects of relationship management so that you maintain goodwill, but do not jeopardise your organisation's position. You will also be required to make arrangements, within the limits of what you are permitted to do, on behalf of your organisation to implement arrears recovery processes. Here we place the level of responsibility on making agreements for revised repayment schedules, but do not look at legal action to recover monies or property. You will be involved in the identification and recovery of debt, including customers exceeding credit limits and failing to make agreed payments.

***Outcomes of effective performance***

- LC10/O1 You identify and investigate problems in customer repayments for their potential impact on the account
- LC10/O2 You investigate the source of the problems in the customer accounts with the customer
- LC10/O3 You invite your customer to provide an explanation for the problems they have in meeting the terms and conditions of their account
- LC10/O4 Your written communication with customers is clear and accurate and does not prejudice your organisation's legal position
- LC10/O5 You inform customers clearly of your organisation's policy in respect of debt recovery
- LC10/O6 You seek solutions for the payment of arrears that are acceptable to both your customer and your organisation
- LC10/O7 You agree and confirm revised repayment schedules with your customer
- LC10/O8 You send copies of revised payment agreements to the relevant people
- LC10/O9 You pass any instances of failure to make agreements to the relevant authority

- LC10/O10 You keep accurate and complete records of all stages
- LC10/O11 You comply with legal requirements, industry regulations, organisational policies and professional codes

***Behaviours which underpin effective performance***

- LC10/B1 You present information clearly and concisely
- LC10/B2 You show integrity, fairness and consistency in the decisions you make
- LC10/B3 You show respect for others in your dealings with them
- LC10/B4 You explain things so others will understand
- LC10/B5 You are vigilant for potential risks
- LC10/B6 You respond quickly to potential problems
- LC10/B7 You pay attention to details that are critical to your work
- LC10/B8 You carry out tasks with due regard to your organisation's policies and procedures, including those covering health and safety at work

**Unit: LC10 Investigate arrears and recover debts**

---

***Knowledge and understanding***

1. Records that you need to maintain
2. Your organisation's requirements for dealing with arrears and the recovery of debt
3. Your remit of responsibility for dealing with arrears
4. The authority to whom you can refer arrears
5. The terms and conditions of particular accounts
6. Your organisation's policy in respect of debt recovery
7. The sources of problems customers may have in maintaining agreed payments
8. How to investigate the potential impact there may be from problems in customer repayments
9. How to investigate the sources of problems with customers sensitively
10. The implications of not inviting customers to discuss their problems with accounts
11. Solutions that are available for the payment of arrears
12. The purpose of seeking solutions for the payment of arrears which are agreeable to both your customer and your organisation
13. The people who require copies of revised payment agreements
14. The authority to whom you should inform any instances of failure to make agreements
15. Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, as they impact on your activities