

27 March 2023

Section (9)(2)(a)

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Our ref: OIA 102941

Tēnā koe Section (9)(2)(a)

Official Information Act request: Debt management

Thank you for your email of 27 February 2023, in which you requested information relating to debt management. Specifically, you requested:

"I hereby request a copy of your debt management policy"

On 2 March 2023, the Ministry contacted you to clarify your request. Under s15(1AA) of the Act, any clarification or amendment of a request is considered a new request for the purpose of calculating the statutory timeframe for response. On 2 March 2023, you confirmed that your request could be clarified to the following:

"...the debt management policy that deals with where the Ministry of Justice is owed money.

For example, MOJ has raised an invoice in their system (not limited to the public) and then that invoice is not subsequently paid. What Policy then dictates the next steps to resolve payment?"

We have interpreted your request as relating to the policy for departmental debt administered by the Ministry of Justice. Specifically, when an invoice is issued by the Ministry and the debtor has not paid by the stated due date.

The Ministry centrally records the departmental revenue transaction information in the Financial Management Information Systems (FMIS). Some business units within the Ministry operate supplementary systems that record transactions and interface with FMIS. The Ministry does not have a formal debt management policy for departmental debt. This is because each business unit has their own process for collecting debt based on the nature of the transaction. However, I can provide a general overview of the process.

- The Ministry sends monthly statements to debtor advising of the amount payable.
- The Ministry produces the aged debtors report internally on a monthly basis.
- If this debt becomes overdue, the relevant business unit would follow-up with the payee where appropriate. The size of debt being collected, and nature of the transaction is may also impact the follow-up process.
- The business unit would then assess the collectability of the debt.

- Any debt write off must be authorised according to the Ministry's Financial Delegation Policy.

If this is not the information you were seeking, please note that the Ministry remains willing and engaged on any new and clarified request you may wish to make.

Please note that this response, with your personal details removed, may be published on the Ministry website at: justice.govt.nz/about/official-information-act-requests/oia-responses/.

If you are not satisfied with this response, you have the right to make a complaint to the Office of the Ombudsman under section 28(3) of the Act. The Office of the Ombudsman may be contacted by email to info@ombudsman.parliament.nz or by phone on 0800 802 602.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'Andy Fulbrook'.

Andy Fulbrook
Chief Financial Officer